April 24, 2024

Babylon Industrial Development Agency

Resolution: permitting the Agency to approve and consent to Kiyan Hasan, LLC entering into a Sublease Agreement with Natural Foods. Inc., for a portion of the building owned by Kiyan Hasan, LLC at 2-6 Bahama Street, Lindenhurst, New York, a copy of which proposed sublease is attached hereto.

Now Therefore, Be It

Resolved, that the Town of Babylon IDA Board has approved a resolution permitting the Agency to approve and consent to Kiyan Hasan, LLC entering into a Sublease Agreement with Natural Foods, Inc., for a portion of the building owned by Kiyan Hasan, LLC at 2-6 Bahama Street, Lindenhurst, New York, a copy of which proposed sublease is attached hereto.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

COMMERCIAL REALTY SUBLEASE

THIS SUBLEASE (this "Lease"), made as of the ____ day of April, 2024, between KIYAN HASAN LLC, a New York corporation, having an address at 305 Henry Street, Lindenhurst, New York 11757 ("Landlord"), and NATURAL FOODS, INC., a New York corporation, having an office at 159 Hansen Avenue, Freeport, New York 11520 ("Tenant").

WITNESSETH:

ARTICLE I

PREMISES

Section 1.1 Premises. Landlord represents it is the beneficial and equitable owner or net lessee of the building and property hereafter described, inclusive of the Demised Premises, attached hereto as Schedule A (subject and subordinate to a sale/leaseback arrangement with the Town of Babylon Industrial Development Agency ("IDA"). Landlord hereby demises and leases to Tenant and Tenant hereby takes and hires from Landlord, upon and subject to the covenants, agreements, terms, provisions and conditions of this Lease, that certain (a) approximately 40,000 square feet of "rentable" space located at 2-6 Bahama Street, Lindenhurst, New York 11757 and (b) any and all easements, appurtenances, rights and privileges now or hereafter belonging thereto, and (c) the designated parking areas, if any (collectively, the "Demised Premises"). In no event shall Tenant be permitted to store any personal property or park vehicles overnight in the parking lots or elsewhere outside of the building in which the Demised Premises is located, without prior lawful permits for same, if required.

ARTICLE II

TERM AND COMMENCEMENT

The term of this Lease ("Term" or the "Lease Term") shall Section 2.1 Term. commence (the "Commencement Date") upon the later of (a) May 1, 2024 or (b) on the first day of the month after issuance of the consent and approval of this Lease by the Town of Babylon Industrial Development Agency, and continue thereafter for a term of one (1) year (the "Lease The term "Fractional Month" shall mean the calendar month during which the Commencement Date occurs if other than the first day of a calendar month and shall consist of the number of days commencing on the Commencement Date and ending on the last day of the calendar month during which the Commencement Date occurs. The term "Expiration Date" shall mean the date on which the Term shall expire, whether on the scheduled termination date of this Lease or any earlier termination of the Term pursuant to the provisions of this Lease. Notwithstanding the foregoing, this Lease and the Commencement Date shall be contingent upon Landlord's receipt of (a) the consent and approval of the Town of Babylon Industrial Development Agency and (b) a fully executed Tenant Agency Compliance Agreement (TACA) by Tenant in substantially similar form to Schedule C annexed hereto.

Section 2.2 Renewal Term. Provided Tenant is not in default of the Lease and is still in occupancy of the entire Premises, Tenant shall have one (1) option to renew this Lease for an additional six (6) month term (the "Renewal Term"), provided Tenant gives written notice to Landlord of Tenant's intent to renew, which notice must be delivered no less than ninety (90) days prior to the expiration of the current Term. The Total Monthly Rent for the Renewal Term shall be \$48,066.67 per month (i.e. a three percent (3%) increase over the Fixed Annual Rent during the Term), plus Tenant shall continue to be responsible for all Additional Rent. There shall be no additional renewal term or right of extension beyond what is set forth above.

ARTICLE III

POSSESSION

Section 3.1 Delivery of Possession.

- (a) Landlord shall be deemed to have delivered to Tenant the Demised Premises (herein referred to as "Delivery of Possession") on the Commencement Date. Fixed Rent shall commence as of the Commencement Date together with all other charges and additional rent set forth herein, if applicable.
- (b) It is expressly understood and agreed that, except as otherwise provided herein, Landlord shall have no obligations to perform any alterations, repairs, fit-ups, improvements or additions in and to the Demised Premises and the Demised Premises is being delivered in "as is" condition on the Commencement Date. Without limiting the foregoing, in the event that any work, changes, alterations, additions, and/or improvements are required to be made for any reason whatsoever including, by reason of the nature of tenant's business and or the location of Tenant's furniture, fixtures, equipment and/or improvements, then Tenant shall be solely responsible to perform the same at Tenant's sole cost and expense, and obtain any required permits and approvals from the municipality (if required).
- (c) Notwithstanding the foregoing paragraph, Landlord agrees to deliver the Demised Premises to Tenant on Delivery of Possession, "as-is", broom clean, and vacant.

ARTICLE IV

RENT AND PAYMENT

Section 4.1 Fixed Rent. Fixed Annual Rent.

(a) Rent shall begin on the Commencement Date. Tenant shall pay to Landlord the following Total Monthly Rent (also referred to as the "Fixed Rent", which amount is a gross figure inclusive of Landlord's Common Area Maintenance and Insurance charges) without offset or deduction whatsoever on the first day of each month during the Lease Term:

LEASE YEAR	ANNUAL FIXED RENT	TOTAL MONTHLY RENT
1	\$560,000.00	\$46,666.67

- (b) Simultaneously with the execution hereof, Tenant shall pay the sum of \$140,000.00 by bank or cashier's check, which amount shall be credited toward (a) the first applicable monthly installment of Fixed Rent due hereunder and (b) the Security Deposit.
- (c) From and after the Commencement Date and throughout the Term of this Lease, Tenant shall pay the Total Monthly Rent, as same may be hereafter adjusted, without demand, offset or deduction, to the order of Landlord, in equal monthly installments in advance on the first day of each month during the Term, except that if the Commencement Date is not the first day of a calendar month, the Total Monthly Rent for the period commencing on the Commencement Date and ending on the last day of the calendar month during which the Commencement Date occurs shall be apportioned based upon the ratio that the number of days in the month following the Commencement Date bears to the total number of days in the month during which the Commencement Date occurs. All sums of money, other than the Total Monthly Rent which shall become due and payable by Tenant in connection with this Lease, including but not limited to Real Estate Tax increases and snow removal charges, shall collectively be herein referred to as "Additional Rent" or "additional rent." Landlord shall have the same remedies for a default in the payment of any Additional Rent as for a default in the payment of Annual Base Rent. All Additional Rent shall be payable without offset or deduction whatsoever.

In the event Tenant fails to pay any installment of Total Monthly Rent or any Additional Rent within five (5) days of the due date thereof, Tenant shall, without prior demand, be obligated to pay a late fee to Landlord equal to five (5%) percent of the amount overdue, without limiting Landlord's other rights or remedies.

(d) The term "Lease Year" as used herein shall mean the twelve (12) month period commencing on the Commencement date and ending on the day immediately preceding the one (1) year anniversary thereof, and each twelve (12) month period thereafter during the Term. Further, the first Lease Year shall include the fractional month in which the Delivery of Possession shall fall.

ARTICLE V

TAXES AND IMPOSITIONS

Section 5.1 Real Estate Taxes.

- "Real Estate Taxes" shall mean all real property, state, town, county, special (a) district, village, school and local taxes, or Payments In Lieu of Taxes ("P.I.L.O.T." payments) and general, special and all other assessments (including assessments for public improvements), sewer charges, excises, levies and other charges of governmental authorities, agencies or departments (collectively, "Governmental Authorities"), general and special, ordinary and extraordinary. foreseen and unforeseen, of any kind and nature whatsoever, which at any time during the Term may have been or may be assessed, levied, imposed upon or arise or become due and payable out of or in respect, or become a lien on, the Demised Premises or any part thereof, including the tax parcels known as 301, 201, 211 and 215 Henry Street and 0 Forman Street a/k/a 2-12 Bahama Street and being designated as District 0100, Section 215.00, Block 02.00, Lots 084.001, 000.004, 032.000, 033.001, 082.000, 083.000 and 084.002 on the Official Tax Map of Suffolk County, or any appurtenance thereto, including the Land and all other improvements, buildings and lots of which the Demised Premises forms a part; provided, however, that "Real Estate Taxes" shall not be deemed to include any franchise, corporation, income, excess profits, estate, succession or inheritance taxes of Landlord at any time during the Term.
- (b) "Escalation Year" shall mean each fiscal tax year or portion thereof subsequent to the Base Year and occurring within the term of this lease.
- (c) "Base Year" shall mean the tax lien period December 1, 2023 through November 30, 2024.
- (d) "Tenant's Share" (for this Section and any other provision of this Lease hereafter referring to "Tenant's Share") shall mean 28 percent (28%).
- Section 5.2 Tenant shall pay to Landlord, as additional rent, an amount equal to Tenant's Share of the amount by which the Real Estate Taxes due and payable for any Escalation Year shall exceed the Real Estate Taxes due and payable during the Base Year, irrespective of whether such excess is due to higher tax rates, increases in assessed valuation, adjustment to the amount of space, or a decrease and/or loss of any applicable real estate tax abatements or incentives, or other cause. Such additional rent may be billed by Landlord at or about the semi-annual dates that Real Estate Taxes are billed to Landlord by the taxing authority, or annually, at Landlord's sole discretion, and such additional rent shall be paid by Tenant to Landlord within ten (10) days from the date of such statement. An ordinary tax bill shall be sufficient evidence of the amount of Real Estate Taxes for purposes of computing the amount to be paid by Tenant.
- Section 5.3 The additional rent provided herein shall be apportioned as of the expiration of the lease term or earlier termination of this lease. The obligations of Tenant to pay additional rent as provided for herein shall survive the expiration of the lease term or earlier termination of this lease. No delay or failure by Landlord in preparing or delivering any statement or demand

for any additional rent shall constitute a waiver of, or impair Landlord's rights to collect, such additional rent.

ARTICLE VI

INSURANCE

Section 6.1 Landlord's Insurance.

- (a) Landlord shall, from and after the Commencement Date and thereafter throughout the Term, provide, keep and maintain or cause same to be maintained in force for the Demised Premises, a commercial general liability as well as a comprehensive Special Peril form "all-risk" policy of insurance in an amount not less than the full replacement value thereof (excluding the cost of land and foundations but without deduction for depreciation) (such insurance shall exclude Tenant's trade fixtures, furniture, fixtures, merchandise, inventory, equipment, improvements, personal property and wall coverings, such item to be included in Tenant's Property Insurance); such insurance by Landlord may also insure against so-called "Loss of Rent" insurance in amount equal to the total of Fixed Annual Rent and rent reimbursements (i.e., Real Estate Taxes, Insurance Premiums) paid annually to Landlord by Tenant (all of the foregoing insurance being referred to as "Landlord's Property Insurance"). Landlord's Property Insurance shall provide that the proceeds thereof shall be payable to Landlord, and/or to the holder (as its interest may appear) of any such fee mortgage.
- (b) Landlord may also carry such other insurance upon such terms, conditions and limits which Landlord may reasonably elect to carry or as may be required by the holder of any fee mortgage, including without limitation, general public liability insurance and rent insurance.
- (c) Landlord may carry the insurance described in Section 6.1(a) and (b) under one or more umbrella and/or blanket policies of insurance; provided however, that Landlord shall provide to Tenant, upon request, the written statement of its insurer(s) allocating separately the premium for such insurance.

TENANT ACKNOWLEDGES AND AGREES THAT LANDLORD WILL NOT BE INSURING, NOR WILL LANDLORD BE RESPONSIBLE FOR ANY LOSS OR DAMAGE WHATSOEVER TO TENANT'S GOODS, WARES, INVENTORY, MERCHANDISE, EQUIPMENT, FIXTURES, IMPROVEMENTS OR PROPERTY, WHETHER AS A RESULT OF ANY CASUALTY OR AS A RESULT OF ANY ALLEGED NEGLIGENT ACTS OR OMISSIONS OF LANDLORD OR ITS AGENTS, AND TENANT AGREES THAT IT WILL SEPARATELY INSURE SAID PROPERTY, NOT MAKE ANY CLAIM AGAINST THE LANDLORD FOR ANY SUCH LOSS, DAMAGE OR DESTRUCTION THERETO AND HOLD LANDLORD HARMLESS FROM AND AGAINST ANY CLAIM WHATSOEVER FOR SUCH LOSS, DAMAGE OR DESTRUCTION TO SAID PROPERTY, REGARDLESS OF THE CAUSE.

Section 6.3 <u>Tenant's Insurance</u>.

- (a) Tenant shall, at its sole cost and expense, provide, keep and maintain in force from and after the Commencement Date and during the Lease Term, for Tenant's trade fixtures, furniture, fixtures, merchandise, equipment, raw materials, leasehold improvements by Tenant and personal property insurance under a comprehensive "all-risk" policy of insurance against all loss and damage with extended coverage, in an amount not less than 100% of the full replacement value thereof ("Tenant's Property Insurance"). Tenant hereby releases and waives all rights of recovery or subrogation against Landlord, its agents, members and employees, for and on account of loss, damage or destruction to all or any part of the Demised Premises from fire, water leakage, rain, flood, hurricane, windstorm, theft or any other loss or casualty.
- (b) Tenant shall, at its own cost and expense, from and after the date of Delivery of Possession and during the Term, provide and maintain in force and effect, comprehensive commercial general liability insurance against claims arising out of the use, operation and control of the Demised Premises by Tenant or their agents, affiliates, invitees, employees, contractors, subcontractors and assigns, together with coverage for use of the Demised Premises by the public, with a combined single limit of not less than \$2,000,000.00 in respect of bodily injury or death to one or more persons and property damage and naming Landlord and mortgagee, as well as the IDA as additional insureds thereunder ("Tenant's Liability Insurance").
- Section 6.4 <u>General Insurance Requirements</u>. All policies of insurance required to be maintained by Landlord and Tenant hereunder shall, as applicable, comply with the following:
- (a) All such policies shall be in form reasonably acceptable to Landlord or Tenant, as applicable, and shall contain a waiver of subrogation in favor of the Landlord;
- (b) All such policies shall be for a period of not less than one (1) year, and such policies shall be issued by companies licensed to do business in the State of New York, shall name Landlord, Landlord's Mortgagee, and the IDA as an "additional insured" thereunder, and shall be payable to Tenant notwithstanding any act or omission on the part of the Landlord.
- Section 6.5 <u>Delivery of Certificates</u>. Tenant shall provide to Landlord certificates of the insurance described in Section 6.3(a) and (b) from Tenant's carriers, together with evidence of payment in full of the premium(s) therefor, within ten (10) days prior to the Delivery of Possession and thereafter, each year during the Term not less than twenty (20) days prior to the expiration of such insurance.

ARTICLE VII

CONSTRUCTION OR OTHER TENANT WORK

Section 7.1 <u>Conditions as to Repairs, Alterations or Other Work</u>. Without limiting any other applicable provisions of this Lease, whenever any material repairs, alterations, changes or other work in, on or to the Demised Premises (collectively, the "Work") defined as any structural or non-structural work which would by its nature, require a building permit from the Town of

Farmingdale, or any other work which cost exceeds, in the aggregate, the sum of \$10,000.00, shall be undertaken by Tenant as provided in this Lease:

- (a) all Work shall be subject to the prior written approval of Landlord in each instance which approval shall not be unreasonably withheld or delayed, and without limiting the foregoing, Tenant shall provide to Landlord proposed plans and specifications covering all such Work which shall be subject to Landlord's prior written approval;
- (b) prior to performing any such Work, Tenant shall obtain at its sole cost and expense, all licenses and permits, including a building permit which may be required by applicable laws, ordinances, codes, rules, regulations and requirements of Governmental Authorities;
- (c) Tenant shall carry "All Risk Builder's Risk" Insurance with respect to such Work which shall name Landlord, the holder of any fee mortgage, Tenant as their respective interests may appear;
- (d) Tenant and any contractors hired thereby shall carry workmen's compensation insurance as required by applicable law in connection with such Work, and evidence thereof shall be delivered to the other party prior to commencement thereof; provided however, that any and all such contractors shall be subject to the prior written approval of Landlord in each instance, which approval shall not be unreasonably withheld or delayed;
- (e) Tenant shall obtain or cause to be obtained a final or permanent Certificate or an amended final or permanent Certificate upon completion of Work if under local law such Certificates are issued or required in connection therewith and a certificate from the Board of Fire Underwriters, or other organization exercising the same functions, whose jurisdiction includes the Demised Premises, certifying that any electrical work has been properly completed; (if required by law or regulation);
- (f) Tenant shall secure lien releases from each such contractor and materialmen prior to final payment thereto, and hold Landlord harmless (and indemnify Landlord) from and against any and all liability in connection with the filing of any mechanic's liens against the building, and cause same to be bonded and/or discharged within 30 days of the filing thereof.

ARTICLE VIII

MECHANIC'S LIENS

Section 8.1 Mechanic's Liens Prohibited. Throughout the Term, Tenant shall not suffer or permit any mechanic's lien to be filed against Demised Premises by reason of work, labor, services or materials performed or furnished to or on behalf of Tenant holding by, through or under Tenant. If any mechanic's lien or any notice of intention to file a mechanic's lien shall at any time be filed for which Tenant shall be liable pursuant to the preceding sentence, Tenant shall, at Tenant's sole cost and expense, within forty-five (45) days after knowledge of the filing of any mechanic's lien, cause the same to be removed or discharged of record by payment, bond, order of a court of competent jurisdiction, or otherwise. In the event that Tenant fails to timely discharge

such mechanic's lien and without prejudice to Landlord's other rights and remedies, Landlord shall have the option to take such steps as Landlord deems appropriate to discharge such lien of record whereupon Tenant shall reimburse Landlord for the full amount expended by the Landlord in order to so discharge the lien, together with interest at the rate of prime plus 4% (the "Lease Interest Rate") plus reasonable attorney's fees, costs and disbursements of Landlord.

Section 8.2 <u>Non-Consent of Landlord to Filing of Liens</u>. Nothing herein contained shall be construed in any matter so as to constitute Landlord's consent to subject Landlord's estate in the Land to any lien or liability arising out of Tenant's use or occupancy of the Demised Premises.

ARTICLE IX

REPAIRS AND MAINTENANCE

Section 9.1. <u>Landlord's Covenants</u>. Throughout the Term, Landlord shall maintain and make, at its expense, all exterior, structural repairs and replacements to the building, in which the Demised Premises form a part, and all repairs and maintenance to the common areas; and in any event shall make all repairs necessary to avoid any structural damage or injury to the Demised Premises, other than such structural or other repairs, replacements or maintenance which are necessitated by the negligence, acts, omissions or commission of the Tenant, its shareholders, members, directors, agents, affiliates, employees, invitees, customers, contractors, subtenants or assigns, in which event such repairs and or replacements shall be performed by and at the expense of the Tenant. For the purposes of this Section, "structural" repairs and replacements shall mean repairs and replacements solely to the roof, roof members, roof supports, foundations, slabs and load bearing walls.

Section 9.2 <u>Tenant's Covenants</u>. Throughout the Term, Tenant shall, at Tenant's own cost and expense, maintain and make all non-structural repairs and replacements in and to the Demised Premises (unless also required to make structural repairs as set forth in 9.1 above), as well as all repairs to all improvements, including, but not limited to, all furniture, fixtures, equipment, leasehold improvements, electrical, plumbing, and other utility equipment, facilities and systems. During the term, Tenant shall, at its expense, provide and maintain any required smoke or carbon monoxide detectors in accordance with all applicable laws and regulations, and shall maintain an HVAC service and maintenance contract with a reputable HVAC/mechanical company for the existing HVAC systems and equipment servicing the Demised Premises, and provide all general maintenance and ordinary repairs to same, when and if needed.

During the Lease Term, Tenant shall keep the Demised Premises clean and free of vermin. In addition, Tenant shall be responsible for the disposal of its trash and shall dispose of trash in approved containers secured and contracted by Tenant.

Section 9.3 <u>Construction Indemnity</u>. Without limiting Tenant's other obligations, Tenant hereby indemnifies and holds harmless Landlord, its employees, agents, successors and assigns, from and against any and all charges, claims, causes of action, damages, expenses and liabilities, including, without limitation, reasonable attorneys' fees and disbursements, sustained

or incurred by any persons which are based upon or arise out of illness or injury, including death of any person or property damage to any property and which are the result of any work or repairs performed by or on behalf of Tenant or any act or omission of Tenant, Tenant's agents, partners, employees, members, contractors or subcontractors, licensees, invitees, customers or other visitors and any repairs, maintenance and replacements required to be made by Tenant hereunder.

Section 9.4 Sprinkler System Changes. If the New York Board of Fire Underwriters or the New York Fire Insurance Exchange, local fire marshal, or any bureau, department or official of the federal, city, state or other local government, recommend or require that any changes, repairs, modifications, alterations, additional sprinkler heads or other equipment be made or supplied in any existing sprinkler system within the Demised Premises for reasons relating to Tenant's specific manner of use, change of use, or Tenant's acts or omissions, or negligence, Tenant shall, at Tenant's sole cost and expense, promptly make such sprinkler system changes, modifications, alterations, and supply additional sprinkler heads or other equipment as required.

ARTICLE X

FIRE, DAMAGE AND DESTRUCTION

Section 10.1 Notice: Restoration: Insurance Proceeds. In the event of the destruction of 25% or more of the Demised Premises or the building in which same are located, Landlord shall have the right and option not to restore same, and may, at its option, terminate this Lease upon written notice to Tenant of such election given within thirty (30) days of such loss or casualty. Except as hereinafter set forth, in the event that all or any part of the Demised Premises are damaged or destroyed by fire or other casualty, Landlord alone shall have the right to settle and adjust loss therefrom under Landlord's Property Insurance. If Landlord shall not elect to terminate this Lease as aforesaid, or in the event the loss is of less than 25% of the Demised Premise or building, then, in such events, Landlord shall (subject to Section 10.2) promptly and with all reasonable diligence following Landlord's receipt of adequate insurance proceeds, repair and restore (a "Restoration") such improvements to substantially the same condition as existed immediately prior to such damage or destruction in accordance with all applicable life safety rules and regulations of all Governmental Authorities having jurisdiction there over ("Safety Laws"), provided Landlord shall not be required to spend more than the proceeds of insurance received by it and further provided the cause of the casualty would be covered by insurance which Landlord is required to provide pursuant to Landlord's Property Insurance. Such Restoration shall be substantially completed no later than 270 days after such fire or other casualty (the "Restoration Date"); provided however, that such 270 day period shall be subject to extension by reason of any events beyond Landlord's reasonable control, including so-called "force majeure" events, and in the event that Landlord fails to substantially complete such Restoration within such 270 day period. as the same may be extended, then Tenant's sole and exclusive right and remedy at law shall be to terminate this Lease by sending written notice of termination no later than 280 days following the date of such fire or other casualty and shall specify the date of termination no earlier than thirty (30) days nor later than sixty (60) days whereupon this Lease shall terminate on the date specified in Tenant's notice, unless Landlord shall have substantially completed such Restoration by such date, in which event, this Lease shall remain in full force and effect. In the event that Tenant terminates this Lease as aforesaid, then except as otherwise provided for such provisions of this

Lease as are expressly stated to survive any termination hereof, this Lease shall be of no further force and effect on such effective date of termination and Landlord shall promptly refund to Tenant any Fixed Annual Rent and Additional Rent paid by Tenant on account of the period after the effective date of such termination.

Section 10.2 Abatement. If during the Term, all or any part of the Demised Premises is damaged or destroyed by fire or other casualty and this Lease is not terminated as provided in this Section, then the Fixed Annual Rent shall abate as to that portion of the Demised Premises which is unusable by Tenant to the extent that Landlord receives such rent or business interruption insurance proceeds provided for hereunder. In that regard, Landlord represents that Landlord's Insurance provided for in Section 6.1, above, includes loss of rental insurance coverage in an amount not less than the Fixed Annual Rent provided for the herein Tenant. Notwithstanding the foregoing, it is expressly understood and agreed that Landlord shall not be obligated to repair, replace or restore, nor to insure any of Tenant's personal property, furniture, fixtures, inventory, equipment, including trade fixtures, or leasehold improvements, which shall be insured, repaired and restored by Tenant, at Tenant's sole cost and expense. Tenant shall have the right to adjust and collect all proceeds of its own policies insuring its personal property. Tenant hereby waives the provisions of 227 of the Real Property Law and agrees that the provisions of this Section shall govern and control in lieu thereof.

ARTICLE XI

EMINENT DOMAIN

Section 11.1 Total Taking. In the event of a permanent taking for any public or quasipublic use by any Governmental Authority by exercise of the right of condemnation or of eminent
domain or by agreement between Landlord and such Governmental Authority to exercise such
right (hereinafter referred to as a "Taking"), of all or substantially all of the Demised Premises (a)
this Lease and the Term shall terminate be of no further force or effect on and as of the earlier to
occur of the date of vesting of title or the transfer of possession in connection with such Taking
(the "Vesting Date"), and (b) any Fixed Annual Rent and Additional Rent paid by Tenant on
account of the period after such date of termination shall be refunded to Tenant, upon demand.

Section 11.2 Partial Taking.

(a) In the event of a permanent Taking of any portion of the Demised Premises, the remainder of which, in Tenant's reasonable business judgment, cannot (after necessary Restoration to constitute same as a complete architectural unit) economically and feasibly be used by Tenant for the purposes used by Tenant prior to the Taking Tenant may elect to terminate this Lease by giving notice of termination to Landlord on or before the date which is thirty (30) days after receipt by Tenant of notice from Landlord that the Taking has so occurred, which notice of termination shall state an effective date thereof which is not more than thirty (30) days after the date on which such notice of termination is given to Landlord, and (x) upon the date specified in such notice of termination this Lease and the Term shall terminate and be of no further force and effect, (y) any Fixed Annual Rent and/or Additional Rent paid by Tenant on account of the period after such date of termination shall be refunded to Tenant upon demand and (z) except as otherwise provided for

in such provisions of this Lease as are expressly stated to survive any termination hereof, this Lease shall be of no further force and effect.

- (b) If this Lease does not terminate under Section 11.2 (a) hereof because either Tenant has no right to or Tenant does not so elect to terminate this Lease as aforesaid, (i) following receipt of the award or payment for the Taking, a sufficient portion of the award or payment for the Taking shall be used by Landlord, to promptly commence and with all due diligence restore the portion of the Demised Premises remaining after the Taking to substantially the same condition as existed immediately prior thereto (hereinafter referred to as the "Pre-Taking Condition"), and (ii) the Fixed Annual Rent shall be proportionately reduced based upon the Floor Area prior to the Taking and the Floor Area after the Taking.
- Premises, Landlord or Tenant may elect to terminate this Lease after such Taking by giving notice of termination to the other if by Landlord on or before the date which is thirty (30) days after the Vesting Date and, if by Tenant, on or before the date which is thirty (30) days after receipt by Tenant of notice that such a Taking has occurred. Such notice of termination shall state the date of termination, which date shall be not more than sixty (60) days nor less than thirty (30) days after the date on which such notice of termination shall have been given and (i) upon the date specified in such notice, this Lease and the Term shall terminate and be of no further force and effect, (ii) any Fixed Annual Rent and Additional Rent paid by Tenant on account of the period after such date of termination shall be refunded to Tenant upon demand and (iii) except as otherwise provided for in such provisions of this Lease as are expressly stated to survive any termination hereof, neither party hereto shall have any further obligation to the other hereunder.

Section 11.3 <u>Temporary Taking</u>. If, at any time during the Term, there shall occur a Temporary Taking (as hereinafter defined) of the use of the Demised Premises:

- (a) The Term hereof shall not be reduced or affected thereby:
- (b) Tenant shall continue to pay the full Fixed Annual Rent and Additional Rent then reserved hereby and required to be paid by Tenant; and
- (c) Tenant shall be entitled to make claim for, recover and retain the entire amount of any award or awards, whether in the form of rental or otherwise, recovered in respect of such possession or occupancy; provided, however, that if such possession or occupancy shall extend beyond the Expiration Date, as then constituted, Tenant shall be entitled to a portion of the award or awards equal to a fraction thereof, the numerator of which is the number of days from and after the Vesting Date of such Temporary Taking through and including the scheduled Expiration Date, as then constituted, and the denominator of which is the total number of days of such Temporary Taking, and Landlord shall be entitled to the entire balance of such award or awards.

For the purposes of this Lease, the term "Temporary Taking" means any Taking for a period of less than one hundred eighty (180) continuous days and any Taking for a period in excess thereof shall be deemed a permanent Taking for all purposes hereof.

Section 11.4 Award. Tenant shall have no claim against Landlord nor the governmental authority or for any part of any award made upon a permanent Taking of all or any portion of the Demised Premises, nor for the value of the unexpired term hereof, except that Tenant may prosecute an independent claim solely for: (i) the remaining unamortized portion of the cost of its trade fixtures, leasehold improvements installed by it and equipment, and (ii) direct reasonable out-of-pocket costs and expenses for moving.

ARTICLE XII

NOTICES

Section 12.1 Any notices hereunder shall be in writing and shall (other than ordinary invoices) be given by (i) hand delivery, (ii) FedEx or UPS overnight courier service, or (iii) the United States Mail when sent certified mail, return receipt requested, in each instance, addressed to each party at its address set forth below:

To Tenant:

Natural Foods, Inc.

159 Hansen Avenue

Freeport, New York 11520

With a copy to:

Svetlana Kaplun, Esq.

2020 Jerome Ave, Suite 1B

Brooklyn, NY 11235

To Landlord:

Kiyan Hasan LLC

305 Henry Street

Lindenhurst, New York 11704

With a copy to:

Presberg Law, P.C.

Attn: Andrew D. Presberg, Esq. 100 Corporate Plaza, Suite B102 Islandia, New York 11749

Any such notice, request or other communication shall be considered given or delivered, as the case may be, on the date of delivery or the date that delivery is refused as evidenced by the records of the courier or delivery service or the United States Postal Service, as applicable. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice, request or other communication. By giving at least five (5) business days prior notice thereof, any party may from time to time at any time change its mailing address hereunder. Notice copied to the attorneys of a party are for courtesy and convenience purposes only, and the failure of the named attorney to receive such notice shall not obviate the validity of any notice actually given to the party at their designated address.

ARTICLE XIII

INTENTIONALLY OMITTED

ARTICLE XIV

USE

Section 14.1 <u>Use</u>. Tenant shall use and occupy the Demised Premises solely for warehousing, storage and distribution of food products and offices related to same and any other lawful purposes that may be incidental to the prior-stated uses. In the event that Tenant ceases such business use and desires to utilize the Premises for another use, then, in that event, Landlord agrees not to unreasonably withhold such other use provided that the proposed new use is not a use inconsistent with the zoning and Certificate of Occupancy of the building, is not for retail sales to others and is not used for any type of "adult" video, CD/DVD, movie sales, rentals or viewing. topless, "peep" show, cabaret or dancing or any other similar adult or pornographic entertainment. Landlord makes no representations or warranties that Tenant's use of the Demised Premises shall be in compliance with and permitted by applicable laws, rules and regulations, including zoning codes, rules and regulations, and the failure of Tenant's business to so comply shall not relieve Tenant of its obligations hereunder. Additionally, Tenant shall indemnify and hold harmless Landlord, their officers, directors, members, employees and agents, from and against any and all liability, loss, cost and expense, including, without limitation, reasonable attorneys' fees and disbursements, arising out of or occasioned wholly or in part by Tenant's use of the Demised Premises and its environs or that of its agents, contractors, employees, invitees or subtenants, including, but not limited to, Tenant's failure to secure any proper permits or licenses for equipment or otherwise, for its business operations at the Demised Premises.

ARTICLE XV

ASSIGNMENT, SUBLETTING, ETC.

Section 15.1 Tenant, shall not, without the prior written consent of Landlord and the IDA in each instance: (i) assign its interest in this Lease, in whole or in part, (ii) sublet, license or permit the subletting or licensing of, the Demised Premises or any party thereof, or (iii) permit the Demised Premises or any part thereof to be occupied, or used by any person other than Tenant or its customers. Notwithstanding the foregoing, Tenant shall be permitted to assign this Lease to a corporation or limited liability company in which the majority shareholder(s) of the Tenant as of the date hereof are and remain the majority shareholders or members of the assignee, and in any event, such assignment shall not relieve the assigning Tenant of liability hereunder. For the purpose of this Article, a transfer of 51% of the membership interest of the Tenant, except to an immediate family member of Tenant's principal, shall be deemed to be an "assignment" of the Lease requiring the consent of the Landlord as set forth herein.

Section 15.2 If Tenant's interest in this Lease is assigned, whether or not in violation of the provisions of this Section, Landlord may collect Fixed Annual Rent and Additional Rent from the assignee; if the Demised Premises or any part thereof are sublet to, or occupied by, or used by, any person other than Tenant, whether or not in violation of this Section, Landlord, after default by Tenant under this Lease may collect Fixed Annual Rent and Additional Rent from the subtenant, user or occupant. In either case, Landlord shall apply the net amount collected to the Fixed Annual

Rent and Additional Rent reserved in this Lease, but neither any such assignment, subletting, occupancy, or use whether with or without Landlord's prior consent, nor any such collection or application shall be deemed a waiver of any term, covenant or condition of this Lease or the acceptance by Landlord of such assignee, subtenant, occupant or user as tenant. The consent by Landlord to any assignment, subletting, licensing, occupancy or use shall not relieve Tenant from its obligation to obtain the express prior consent of Landlord to any further assignment, subletting, licensing, occupancy or use, nor shall any assignment or subleasing relieve Tenant of its obligations under this Lease, unless same was as part of Tenant's bona fide sale of all, or substantially all, of its assets. as a going concern which assignment was approved by Landlord as provided herein.

Section 15.3 At least thirty (30) days prior to any proposed subletting, licensing or assignment, Tenant shall submit to Landlord a statement containing the name and address of the proposed subtenant or assignee, as the case may be, and all of the principal terms and conditions of the proposed subletting, licensing or assignment, as the case may be, including, but not limited to, the proposed commencement and expiration dates of the term of any such sublease and the proposed effective date of any such assignment, and such financial and other information with respect to the proposed subtenant, licensee or assignee, as the case may be, as Landlord may reasonably request thereof. Such statement shall be accompanied by a floor plan delineating the proposed sublet area.

Section 15.4 Each subletting or licensing pursuant to this Section shall be subject to all of the covenants, agreements, terms, provisions and conditions contained in this Lease and in the overlease with the IDA. Notwithstanding any such subletting and/or acceptance of Fixed Annual Rent or Additional Rent by Landlord from any subtenant, Tenant shall and will remain fully liable for the payment of the Fixed Annual Rent and Additional Rent due, and to become due, hereunder, for the performance of all of the covenants, agreements, terms, provisions and conditions contained in this Lease on the part of Tenant to be performed and for all acts, omissions or commissions of any licensee, subtenant or any person claiming under or through any subtenant that shall be in violation of any of the obligations of this Lease, and any such violation shall be deemed to be a violation by Tenant.

Section 15.5 With respect to each and every sublease, license or subletting, it is further agreed that:

- (a) no subletting or licensing shall be for a term ending later than one day prior to the Expiration Date;
- (b) no sublease or license shall be valid, and no subtenant shall take possession of the Demised Premises or any part thereof, until an executed counterpart of such sublease or license has been delivered to Landlord; and each sublease shall provide that it is subject and subordinate to this Lease and to the matters to which this Lease is or shall be subordinate, and that, in the event of termination, reentry, or dispossess by Landlord under this Lease, Landlord may; at its option, take over all of the right, title and interest of Tenant as sublandlord under such sublease or license, and such subtenant or licensee shall, at Landlord's option, attorn to Landlord pursuant to the then executory provisions of such sublease or license, except that Landlord shall not (x) be liable for

any previous act or omission of Tenant under such sublease or license, (y) be subject to any offset, not expressly provided in such sublease or license, that theretofore accrued to such subtenant or licensee against Tenant or (z) be bound by any previous modification of such sublease or by any previous prepayment of more than one month's Fixed Annual Rent or any Additional Rent then due; and

Section 15.6 Any assignment or transfer, shall be made only if, and shall not be effective until, the assignee shall execute, acknowledge and deliver Landlord an agreement, in form and substance reasonably satisfactory to Landlord, whereby the assignee shall assume all of the obligations of this Lease on the part of Tenant to be performed or observed and whereby the assignee shall agree that the provisions contained in Section 15.1 shall, notwithstanding such assignment or transfer, continue to be binding upon it in respect of all future assignments and transfers.

Section 15.7 In the event of any assignment or transfer by Tenant of its interest in this Lease and whether or not in violation of the provisions of this Lease, and notwithstanding the acceptance of Fixed Annual Rent and/or Additional Rent by Landlord from an assignee, transferee, or any other property, the original named Tenant shall remain fully liable for the payment of the Fixed Annual Rent and Additional Rent and for the other obligations of this Lease on the part of Tenant to be performed or observed.

Section 15.8 Tenant shall within ten (10) days of demand by Landlord, pay to Landlord all costs and expenses incurred in connection with any assignment or subletting or licensing, including Landlord's attorneys' fees.

Section 15.9 In the event that Tenant enters into a sublease, license or other "Transfer," as herein defined, then Tenant shall pay to Landlord one hundred percent (100%) percent of the gross increase, exclusive of the costs of any improvements paid for by Tenant in connection with such sublease or license, in such rent over the amount of Fixed Rent payable by Tenant under this Lease (to be computed on a square foot basis in the event of a sublease or license of less than the entire Demised Premises, which shall be subject to Landlord's prior written consent) which shall be payable by Tenant to Landlord simultaneous with the payment of Fixed Rent under this Lease due the first of each and every month in advance. For purposes of this Section, the term "Transfer" shall mean any assignment, transfer, lease or letting, subletting, license, concession, easement, occupancy or any other agreement, written or oral, affecting any portion of the Demised Premises.

ARTICLE XVI

PARKING

Section 16. Parking. Tenant shall be permitted to park up to thirty (30) vehicles pursuant to the parking map attached hereto as Schedule D. Additionally, Tenant shall have a non-exclusive license for parking vehicles for its employees and visitors in areas designated from time to time, by Landlord. Landlord makes no representations regarding any municipal restrictions as

to any overnight parking of trucks, trailers or vehicles. Tenant agrees that no permits or applications to any municipal authority regarding outside storage or overnight parking shall be made without the Landlord's prior, written consent, which consent may be withheld in Landlord's sole discretion, unless and until such time as Tenant receives municipal permits for same.

ARTICLE XVII

SUBORDINATION

Section 17.1 <u>Subordination</u>. This Lease is subject and subordinate to that certain Project Lease Agreement dated as of June 2, 2014 between the Town of Babylon Industrial Development Agency and Kiyan Hasan LLC, as well as subordinate to all mortgages, including fee mortgages which may now or hereafter affect such leases or the Demised Premises and to all renewals, modifications, consolidations, replacements and extensions of any such underlying leases and mortgages. This clause shall be self-operative and no further instrument or subordination shall be required by any ground or underlying lessor or by any mortgagee, affecting any lease or the Demised Premises; however, in confirmation of the subordination, Tenant shall execute promptly any and all instruments which Landlord or any such ground or underlying lessor or mortgagee may require. In the event that the overlease with the IDA shall terminate for any reason during the term of this Lease, then this Lease, at the sole and absolute option of Landlord, shall not be extinguished, but shall continue, and Tenant shall attorn to Landlord.

Section 17.2 Estoppel Certificates. Upon the request of either party hereto or the holder of a mortgage or ground or underlying lease, at any time and from time to time, Landlord and Tenant agree to execute and deliver, within ten (10) business days after such request, a written instrument, duly executed (a) certifying that this Lease has not been modified and is in full force and effect or, if there has been a modification of this Lease, that this Lease is in full force and effect as modified, and describing such modifications, (b) specifying the dates to which the Fixed Annual Rent and Additional Rent have been paid, (c) stating whether or not, to the knowledge of the party executing such instrument, the other party hereto is in default and, if such party is in default, stating the nature of such default, (d) stating the Commencement Date and Expiration Date as then constituted, (e) stating the amount of security deposited with the Landlord and the amount still remaining on deposit, (f) stating which renewal options, if any, have been exercised, and (g) stating such other matters relating to the terms or status of the Lease as may reasonably be requested by Landlord, Tenant, the holder of a mortgage, ground or underlying lease.

ARTICLE XVIII

QUIET ENJOYMENT

Section 18.1. Tenant, upon payment of the Fixed Annual Rent and Additional Rent due hereunder and upon the due performance of all the terms, covenants and conditions herein contained on the Tenant's part to be kept and performed, shall and may at all times during the Term, peaceably and quietly enjoy the Demised Premises subject, however, to the terms of this Lease and the overlease with the IDA.

ARTICLE XIX

GENERAL INDEMNIFICATION

Section 19.1 <u>Indemnification By Tenant</u>. Tenant hereby indemnifies and holds harmless Landlord and the IDA, their officers, directors, members, employees and agents, from and against any and all liability, loss, cost and expense, including, without limitation, reasonable attorneys' fees and disbursements, arising out of or occasioned wholly or in part by (a) Tenant's use of the Demised Premises and its environs or that of its agents, contractors, employees, invitees or subtenants; (b) any breach of this Lease by Tenant, its agents, contractors, employees, invitees, or subtenant; or (c) any act, omission or commission of Tenant, its affiliates, agents, members, shareholders, contractors, employees, licensees, invitees, subtenants, customers or other visitors occurring in, on, or about the Demised Premises; or (d) any fact, circumstance, condition, occurrence taking place in, on or about the Demised Premises including, but not limited to personal injury or property damage not caused by the intentional, wrongful acts of the Landlord.

ARTICLE XX

DEFAULTS AND REMEDIES

Section 20.1 Tenant's Defaults. If any default of the Tenant hereunder shall continue uncorrected as to any (i) item of Fixed Annual Rent or Additional Rent for which Tenant does not cure such default within 10 days after the due date thereof, or (ii) other non-monetary obligation of Tenant to be performed pursuant to the terms and conditions of this Lease for which Tenant does not cure such default within thirty (30) days after notice is given by Landlord to Tenant or if such default is not of the nature that can reasonably be cured within such thirty (30) day period, Tenant commences to cure such default within said thirty (30) days and diligently completes such cure. Landlord may, at any time thereafter, exercise any and all rights and remedies as are provided for in this Lease or as may be permitted by applicable law and in equity, which shall include (x) the right of Landlord to terminate this Lease by Landlord, whereupon this Lease shall terminate. but Tenant shall remain liable as herein set forth; and/or (y) re-enter the Demised Premises by summary proceedings according to applicable law expelling Tenant and removing all property therefrom but Tenant shall remain liable as herein set forth. Wherever in this Lease, Tenant is obligated to pay any Additional Rent, then, upon the failure of same as set forth herein beyond any applicable notice or cure periods, Landlord shall have the same rights and remedies against Tenant as for the non-payment of Rent.

In case of any such default, reentry, termination, expiration and/or dispossess by summary proceedings or otherwise: (1) the Fixed Annual Rent and Additional Rent shall become due thereupon and be paid up to the time of such reentry, dispossess and/or expiration; (2) Landlord may relet the Demised Premises or any part or parts thereof, either in the name of Landlord or otherwise, for a term or terms which may at Landlord's option be less than or exceed the period which would otherwise have constituted the balance of the Term; (3) Tenant shall pay to Landlord, as damages for the failure of Tenant to observe and perform Tenant's covenants herein contained any deficiency between the Fixed Annual Rent and Additional Rent hereby reserved and/or covenanted to be paid and the amount, if any, of the rents (and other sums and charges) collected under any substitute lease or leases of the Demised Premises for each month of the period which would otherwise have constituted the balance of the Term. Any such liquidated damages shall be paid in monthly installments by Tenant on the rent day specified in this Lease and any suit brought to collect the amount of the deficiency for any month shall not prejudice in any way the rights of Landlord to collect the deficiency for any subsequent month by a similar proceeding. Landlord shall not be liable hereunder for failure to relet the Demised Premises, or in the event that the Demised Premises are relet, for failure to collect the rent therein reserved under such reletting. In case of any default, Tenant shall also be liable for such reasonable expenses which may incur in connection with reletting the Demised Premises, including reasonable attorneys' fees, brokerage fees and cost of keeping the Demised Premises in good order or for preparing the same for reletting. alterations and improvements, reasonable rent concessions and allowances and all reasonable expenses incurred by Landlord in enforcing or defending Landlord's rights and/or remedies, including reasonable attorneys' fees.

Tenant hereby expressly waives any and all rights to redeem, reinstate, restore or obtain relief from the termination of this Lease after the entry of a final appealable order of a court of competent jurisdiction under any present or future laws or in the event of Tenant being lawfully evicted or dispossessed for any cause permitted under this Lease and whereby Landlord has obtained possession of the Demised Premises as a consequence of a court order and the execution of a proper and valid judicial warrant.

Section 20.2 <u>Trial by Jury</u>. Landlord and Tenant hereby waive trial by jury in any action, proceeding or claim brought by either against the other on any matter whatsoever arising out of or in any way connected with this Lease; provided, however, the foregoing shall not apply to an action for personal injury or property damage. Tenant hereby waives, in any non-payment proceeding, any counterclaim (other than compulsory counterclaims which would have otherwise been lost) against the Landlord, and Tenant shall be relegated to a separate action or proceeding against Landlord.

Section 20.3 <u>Landlord's Remedies</u>. In the event Tenant fails to perform, abide by or observe any term, covenant, condition or other obligation in accordance with this Lease, Landlord shall have the right, without prejudice to its other rights and remedies, to make written demand (except in the event of an emergency, in which case no demand shall be required) on Tenant to pay such amount due or to undertake such maintenance or repair or other obligation. If Tenant fails to timely make such payment or undertake such action on its part, Landlord, at its option, may make such payment or undertake such maintenance, repair or other obligation on Tenant's account,

together with an additional 10% profit/overhead fee added thereto, and Tenant agrees to pay to Landlord, as Additional Rent, within thirty (30) days after written notice, the amount expended by Landlord, plus interest thereon at the Lease Rate on such amount expended until paid. Landlord's action in paying any amount or undertaking any maintenance or repair on behalf of Tenant pursuant to this Section shall in no way reduce or abrogate Tenant's obligations under any other provisions of this Lease nor shall Landlord's actions constitute a waiver of any default by Tenant nor otherwise limit Landlord's rights and remedies.

ARTICLE XXI

END OF TERM

Section 21.1 End of Term.

- Condition of Demised Premises. Tenant shall, on the Expiration Date or upon (a) any earlier voluntary or involuntary termination hereof (including any vacatur by Tenant prior to the stated expiration date), peaceably and quietly surrender and deliver up to Landlord the Demised Premises broom clean, with all systems and equipment contained therein in good condition and repair, subject, however, only to normal wear and tear, damage or destruction by any of the risks covered by insurance required under Section 6.1(a) of this Lease, or a Taking, if this Lease is terminated by reason of such damage or destruction, or such Taking. Tenant shall be responsible for all costs to repair and replace any damage or the costs of any deferred maintenance items (for which Tenant is otherwise responsible for hereunder) caused by or arising at the Demised Premises during the Lease term other than as a result or ordinary wear and tear as aforesaid. Landlord shall. at the expiration (for any reason) of the Lease Term (or at the expiration of any extension thereof) inspect same and shall issue a statement to Tenant as to any items of deferred maintenance or necessary repairs or replacements for which Tenant is responsible. Tenant shall pay to Landlord, on demand, the actual costs of the foregoing, plus 10% added thereto for profit and administrative overhead.
- (b) Tenant's Removal. All movable trade fixtures, furniture and equipment whether owned by Tenant or leased by Tenant from a lessor/owner (an "Equipment Lessor") installed in the Demised Premises, shall be and remain the property of Tenant or any such Equipment Lessor and shall be removed by Tenant or any such Equipment Lessor at any time during the Term. Tenant shall promptly repair all damage to the Demised Premises caused by the removal of any such fixtures or equipment by Tenant or such Equipment Lessor. All other permanently installed equipment, building systems, fixtures, HVAC or similar equipment, whether installed by Landlord or Tenant (or on Tenant's behalf) shall, at the option of Landlord, become the property of Landlord and shall, at Landlord's option, either remain at the end of the Lease Term or be removed at Tenant's sole cost and expense.
- Section 21.2 <u>Landlord's Right to Inspect</u>. Tenant shall permit Landlord or its agents to enter the Demised Premises during regular business hours on reasonable advance notice for the purpose of making necessary or required repairs, inspecting or showing the Demised Premises to prospective purchasers or mortgagees of the Demised Premises and, at any time within one-hundred eighty (180) days prior to the expiration of the Term, to prospective tenants. Landlord

shall use reasonable efforts to minimize interference with Tenant's business in connection with such entry. Landlord may at any time place "For Sale" signs at the Demised Premises and, during the last scheduled four (4) month period of the Term, place "For Rent," or other similar signs at the Demised Premises, none of which signs shall be placed on the windows. Notwithstanding anything to the contrary contained herein, the Landlord shall have the right, to the extent reasonably necessary, to enter into the Demised Premises in case of a bona fide emergency at any time without the necessity of notice.

ARTICLE XXII

GENERAL PROVISIONS

- Section 22.1 No Waste. Tenant covenants not to do or suffer any waste or damage or injury to any building or improvement now or hereafter on the Demised Premises.
- Section 22.2 <u>Partial Invalidity</u>. If any term or provision of this Lease or the application thereof to any party or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to parties or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby.
- Section 22.3 <u>No Waiver, Reminder Notice</u>. One or more waivers by either party of the obligation of the other to perform any covenant or condition shall not be construed as a waiver of a subsequent breach of the same or any other covenant or condition.
- Section 22.4 <u>Successors and Assigns</u>. The terms, covenants and conditions herein contained shall be binding upon and inure to the benefit of the respective parties and their successors and permitted assigns.
- Section 22.5 Remedies Cumulative. The specified remedies to which the Landlord or Tenant may resort under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which the Landlord or Tenant may lawfully be entitled in case of any breach or threatened breach of any provision of this Lease, except to the extent otherwise limited by the express provisions hereof.
- Section 22.6 <u>Holding Over</u>. If Tenant holds over after the expiration or any earlier termination of this Lease, Tenant shall be deemed a hold over and without limiting Landlord's other rights and remedies, Tenant shall pay to Landlord, for so long as Tenant remains in occupancy, as and for use and occupancy, an amount equal to two hundred (200%) percent of the Fixed Annual Rent and Additional Rent due and payable immediately prior to such expiration or termination and Tenant shall further indemnify and hold harmless Landlord from and against any and all losses, damages, claims, liabilities, costs and expenses and reasonable attorneys' fees resulting from Tenant's holding over, including any lost rent from any tenant with whom Landlord may be leasing the Demised Premises to.
- Section 22.7 <u>Utilities</u>. Tenant shall, at its sole cost and expense, be responsible for having all utilities (other than water) metered in Tenant's name in the Demised Premises and

Tenant agrees to pay, from and after the Commencement Date, for all utility charges directly to the respective utility companies. Such utilities shall include gas, electricity, heat, telephone, internet or other communication service or other utility or service used, rendered or supplied to Tenant at the Demised Premises throughout the Term. Landlord shall not be responsible to provide any services, including any utility services to the Premises; however, the service of water is not separately metered for the demised premises and is in the name of the Landlord, and Tenant's share shall be equal to 28% of such monthly billed metered charges, plus the dollar amount in excess of same over the typical monthly amount billed to Landlord of \$250.00 (which increased costs are presumed to be and agreed to be the additional water use by Tenant to operate its equipment, ... Which sum shall be billed to Tenant, as Additional Rent throughout the Term. Tenant shall pay to Landlord, as Additional Rent, Tenant's water usage calculated as set forth above. Tenant shall pay all of the amounts so billed for water usage at the Demised Premises within fifteen (15) days of Landlord's billing to Tenant for same, which bill shall be accompanied by a true copy of the bill received from the utility company providing same. Landlord makes no representations as to the adequacy or existence of any and all utility services.

Section 22.8 Governing Law. The interpretation and validity of this Lease shall be governed by the laws of the State of New York.

Section 22.9 <u>Brokerage</u>. Landlord and Tenant mutually represent and covenant to each other that neither party has dealt with any real estate broker or salesperson in connection with this Lease other than Paramount Properties Group, Inc., whose commission shall be paid by Landlord pursuant to a separate agreement. The parties hereto agree to indemnify and hold the other harmless from and against any and all claims, liability, losses, judgments and expenses, including reasonable attorney's fees and disbursements, which one party suffers in the event that the representation of the other party set forth herein proves to be untrue.

Section 22.10 No Roof Penetrations. Tenant shall not, without Landlord's prior written consent, in each instance, use or penetrate any part of the roof including installing and/or using any satellite dish. Without limiting Tenant's other obligations, Tenant shall comply with any and all terms, covenants and conditions under any and all applicable roof warranties, if any. In the event that Landlord permits Tenant to utilize the roof, then without limiting Tenant's other obligations, Tenant shall repair any damage to the roof occasioned by Tenant's penetration or other use thereof, and Landlord shall thereupon no longer be responsible for repairing of roof leaks inasmuch as the parties agree that the determination of the exact cause for same may be difficult to ascertain.

Section 22.11 <u>Compliance with Laws</u>. From and after the Commencement Date and throughout the Term, Tenant, at Tenant's sole cost and expense, shall promptly comply with the applicable laws, rules, regulations, orders, duties and other requirements imposed by Governmental Authorities (collectively, "Regulations") with respect to the Demised Premises, including without limitation, regulations applicable to the use or occupancy of the Demised Premises and those applicable to any hazardous materials or substances of any kind ("Hazardous Materials").

Section 22.12 Landlord. In the event of any transfer of title of the Demised Premises or of Landlord's interest in a lease of the Demised Premises, and provided that the transferee assumes the obligations of the Landlord from and after the date of said transfer, the Landlord/transferor shall be and hereby is relieved and freed of all obligations of Landlord under this Lease accruing after such transfer. Tenant shall look solely to the estate and interest of Landlord in the Demised Premises (and the proceeds of sale of the Demised Premises to the extent all claims of Tenant are not assumed by a successor Landlord) for the satisfaction of all of Tenant's rights and remedies requiring the payment of money by Landlord in the event of any default or breach by Landlord with respect to any of the terms, covenants and conditions of this Lease to be observed or performed by Landlord. No other property or assets of Landlord shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's rights and remedies under or with respect to either this Lease, the relationship of Landlord and Tenant hereunder, Tenant's use and occupancy of the Demised Premises or with respect to any other liability of Landlord.

Section 22.13 <u>Landlord's Consent</u>. If Tenant shall request Landlord's approval or consent and Landlord shall fail or refuse to give such consent or approval, Tenant shall not be entitled to any damages for any withholding or delay of such approval or consent by Landlord, it being intended that Tenant's sole and exclusive right and remedy shall be an action for injunction or specific performance and that such remedy shall be available only in those cases where Landlord shall have expressly agreed in writing not to unreasonably withhold or delay its consent or approval.

Section 22.14 <u>Floor Load</u>. Tenant shall not place a load upon any floor of the Demised Premises exceeding the load for which the Demised Premises were designed and constructed. Tenant shall confirm same with Landlord prior to the installation or storage of any heavy equipment or items.

Section 22.15 Attorney's Fees. In the event that at any time after the date hereof, either party shall institute any action or proceeding against the other or is otherwise involved in any action or proceeding prosecuting a claim against the other or defending a claim brought by the other, and at the conclusion thereof or there exists a settlement whereby one party becomes obligated to remit payments to the other, or is otherwise adjudged to be the prevailing party, then the prevailing party shall (or party entitled to the settlement payment) be reimbursed from the other for all reasonable expenses and expenses incurred including reasonable attorney's fees which shall include any and all fees, costs and disbursements incurred on any appeal from such action or proceeding. Such costs, expenses and fees shall be payable within thirty (30) days after written demand accompanied by invoices or other reasonable documentary proof reasonably substantiating such costs, disbursements and fees.

Section 22.16 <u>Maintenance</u>. Without limiting Tenant's other obligations, Tenant shall keep and maintain, at its sole cost and expense, the sidewalks and walkways attached, leading or appurtenant to the Demised Premises, free of snow, ice and debris. Additionally, Tenant shall, at its sole cost and expense, be responsible for all other snow removal for Tenant's portion of the Premises and walkways, including the parking lot.

Section 22.17 <u>Licenses</u>. Without limiting Tenant's other obligations, Tenant shall be solely responsible, at its sole cost and expense, to obtain any and all licenses, permits, approvals, including any certificates of occupancy which may be required for Tenant's business and its permitted use of the Demised Premise.

Section 22.18 Access. Tenant shall have 24 hour access to the Demised Premises; however, no truck deliveries or running or idling of trucks, or other work which results in unreasonable noise being generated from the Demised Premises shall occur between the hours of 7:00 p.m and 7:00 a.m.

Section 22.19 <u>Landlord Additional Representations</u>. Landlord represents to Tenant that all utility services are available at the site and building in which the Demised Premises forms a part. In addition, Landlord represents that it has not received and has no actual notice of the existence of any notice of violation from any municipal agency having jurisdiction over the Demised Premises or the building in which same is located.

Section 22.20 <u>Tenant's Signs.</u> Subject to compliance with all applicable laws and regulations, and receipt by Tenant of all required municipal permits for same, Tenant shall have, at its sole cost and expense, the right to install signage at the Demised Premises that shall not exceed what is permitted by applicable town code. Tenant shall maintain same throughout the Lease term and remove same at the expiration or earlier termination of this Lease, and repair any damage caused by such installation or removal. The foregoing right shall be further conditioned upon such installation of same not diminishing the right of any other existing signs at the building to continue to exist. Landlord makes no representation as to the ability of the Tenant to lawfully install or maintain same.

ARTICLE XXIII

ENVIRONMENTAL PROVISIONS

Section 23.1 Tenant's Covenant. Tenant agrees not to maintain or install or permit to be installed or maintained, or to be generated, introduced or present, any and all Hazardous Materials of any kind whatsoever in, on, under or about the Demised Premises in violation of applicable law. Tenant shall, at its own expense, during the Term comply with all environmental laws, rules, orders or regulations of any governmental agency having jurisdiction over the Demised Premises or the property. Without limiting Tenant's other obligations, Tenant shall defend, indemnify and hold Landlord harmless from and against any and all losses, cost, damages or expense, including attorney's, engineer's and other consultant's fees and monitoring clean-up of a remediation and other compliance costs (collectively, "Compliance Costs") which may be incurred by or assessed against Landlord to the extent same arise out of or result from Hazardous Materials in or about the Demised Premises at any time during the Term, other than caused by the Landlord or its agents. Tenant shall not cause or permit any toxic or hazardous chemicals or substances to be disposed of into any of the cesspools or drywells or into the land or water disposal of the Demised Premises or the property on which same is situate. Only sanitary waste shall be disposed of into the systems. Tenant shall cause its use to be only in accordance with all applicable laws, rules and regulations, and shall dispose of any chemicals or hazardous substances "off- site" with

licensed disposal companies, and provide Landlord with copies of all such waste disposal manifests. Tenant shall not permit any hazardous materials to accumulate in drums or barrels for more than 30 days at any time. Tenant's principals shall personally hold Landlord harmless and indemnify Landlord from and against any breach of the foregoing provisions or arising as a result of Tenant's business operations at the Demised Premises in connection with the use or disposal of any of products or materials utilized or stored by Tenant. This obligation on the part of Tenant shall survive the termination of this Lease.

ARTICLE XXIV

SECURITY DEPOSIT

Section 24.1 Security. Tenant shall deposit, with Landlord, upon execution of this Lease, the Security Deposit amount required hereunder in the amount of \$93,333.33 such that Landlord has two months' Total Monthly Rent as of the Commencement Date as security for the faithful performance and observance by Tenant of the terms, provisions and conditions of this Lease. It is agreed that in the event Tenant defaults in respect of any of the terms, provisions and conditions of this Lease, including but not limited to, the payment of rent and additional rent, Landlord may use, apply or retain the whole or any part of the security so deposited to the extent required for the payment of any sum which Landlord may expend or may be required to expend by reason of Tenant's default in respect of any of the terms, covenants and conditions of this Lease. including but not limited to, any damages or deficiency in the reletting of the Demised Premises, whether such damages or deficiency accrued before or after summary proceedings or other reentry by Landlord. The amount deposited above represents a sum equal to two (2) months of Monthly Fixed Rent. Throughout the Lease Term, as the amount of the Total Monthly Rent increases, Tenant shall deposit with Landlord, an additional sum such that the amount of security held by landlord is, at all times, equal to two (2) months of the then current, Total Monthly Rent. Tenant shall make such additional deposit together with the first monthly installment of Monthly Fixed Rent during each anniversary of the Lease Term. In the event that Tenant shall fully and faithfully comply with all of the terms, provisions, covenants and conditions of this Lease, the security shall be returned to Tenant after the date fixed as the end of the Lease and after delivery of entire possession of the Demised Premises to Landlord. No interest shall be due and payable on said sum by Landlord to Tenant unless same is required as a matter of law, in which event, Landlord shall be entitled to an administrative fee equal to 1% per annum. Tenant further covenants that it will not assign or encumber or attempt to assign or encumber the monies deposited herein as security and that neither Landlord nor its successors or assigns shall be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

ARTICLE XXV

GUARANTY

Section 25. <u>Guaranty</u>. The obligations of the Tenant under this Lease, have been guaranteed by Oscar Molatti, in accordance with a separate agreement of guaranty annexed hereto as Schedule B.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD: KIYAN HASAN LLC By: Name: Title: TENANT: NATURAL FOODS, INC. By: Name: Oscar Molatti Title: President ACKNOWLEDGMENT BY TENANT: STATE OF NEW YORK))ss.: COUNTY OF SUFFOLK) On the day of , 2024, before me, the undersigned, a Notary Public in and for said State, personally appeared 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 individuals, or the persons upon behalf of which the individuals acted, executed the instrument.

Notary Public

Schedule A

Schedule B

GUARANTY

GUARANTY given as of April, 2024, by Oscar Molatti, with an address at
, New York , and (the "Guarantor(s)"), to Kiyan Hasan LLC
having an address at 305 Henry Street, Lindenhurst, New York 11757 ("Landlord").

WITNESSETH:

WHEREAS, concurrently herewith the Landlord is entering into a certain Lease (the "Lease") with Natural Foods, Inc., a New York corporation, as Tenant, for that certain premises located at 2-6 Bahama Street, Lindenhurst, New York 11757, as further described in the Lease; and

WHEREAS, Guarantor is affiliated with Tenant and agrees that it will derive an economic benefit in connection with the Lease, whether directly or indirectly; and

WHEREAS, in order to induce the Landlord to enter into said Lease, the herein Guarantor has agreed to give the Guaranty of the obligations of Tenant under said Lease;

NOW THEREFORE, in consideration of Ten Dollars, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

- 1. The Guarantor does hereby unconditionally guaranty to the Landlord, its successors or assigns, the due and punctual performance of all terms and covenants under the Lease and the payment of all Fixed Rent and all additional rent, including Tenant's share of Real Estate Taxes, water, sewer and utility charges, insurance charges, if any, costs of required repairs and/or restoration, snow removal charges and all other charges, obligations and covenants required to be paid or performed by Tenant under the Lease during the term thereof and any extension thereof as well as (collectively the "Obligations"). Additionally, Guarantor does hereby unconditionally guaranty to the Landlord, its successors or assigns, the repayment of any free rent or rent concession credit received by Tenant pursuant to the Lease, and any brokerage commission paid by Landlord with respect to the Lease, upon a default by Tenant under the Lease. Nothing contained herein shall imply that the Tenant is relieved of any obligation under the Lease for the full term thereof, or during any extended term.
- 2. This Guaranty is irrevocable, continuing, unlimited, indivisible and unconditional and, except as otherwise provided herein, may be proceeded upon immediately after failure by the Tenant which failure continues beyond the expiration of any applicable grace, notice and cure periods, to pay, perform or comply with any of the Obligations, without any prior action or proceeding against the Tenant. The Guarantor hereby consents to and waives notice of the following, none of which shall affect, change or discharge the liability of the Guarantor hereunder: (a) any change in the terms of any agreement between the Tenant and the Landlord; and (b) the acceptance, alteration, release or substitution by the Landlord of any security for the Obligations, whether provided by the Guarantor or any other person.

- 3. The Guarantor hereby expressly waive the following: (a) acceptance and notice of acceptance of the Guaranty by Landlord; (b) notice of extension of time of the payment, performance and compliance with, or the renewal or alteration of the terms and conditions of, any Obligations; (c) notice of any demand for payment, notice of default or nonpayment as to any Obligations; (d) all other notices to which the Guarantor might otherwise be entitled in connection with the Guaranty or the Obligations of the Tenant hereby guarantied; and (e) trial by jury and the right thereto in any action or proceeding of any kind or nature, arising on, under or by reason of, or relating in any way to, the Guaranty or the Obligations. This Guaranty shall remain in effect as to any modifications or amendments or extensions of the Lease whether or not Guarantor has notice of the foregoing
- 4. The Guarantor has not and will not set up or claim any defense, counterclaim, setoff or other objection of any kind to the suit, action or proceeding at law, in equity, or otherwise,
 or to any demand or claim that may be instituted or made under and by virtue of the Guaranty.
 This is a guaranty of payment and not of collection, and nothing herein shall require the Landlord
 to first seek any recovery from the Tenant prior to seeking such recovery from the Guarantor. All
 remedies of the Landlord by reason of or under the Guaranty are separate and cumulative remedies,
 and it is agreed that no one of such remedies shall be deemed in exclusion of any other remedies
 available to the Landlord.
- 5. This Guaranty may not be changed or terminated orally. No modification or waiver of any provision of the Guaranty shall be effective unless such modification or waiver shall be in writing and signed by the Landlord, and the same shall then be effective only for the period and on the conditions and for the specific instances and purposes specified in such writing. No course of dealing between the Guarantor and the Landlord in exercising any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder.
- 6. This Guaranty shall be construed in accordance with, and governed by, the laws of the State of New York and shall be deemed a contract entered into in the State of New York. The Guarantor expressly consents to the jurisdiction of the State of New York in connection with this Guaranty or any matters arising therefrom. No invalidity, irregularity, illegality or unenforceability of any Obligation shall affect, impair or be a defense to the enforceability of the Guaranty. Notwithstanding the invalidity, irregularity, illegality or unenforceability of any Obligation of the Tenant to the Landlord, the Guaranty shall remain in full force and effect and shall be binding in accordance with its terms upon the Guarantor and the successors and assigns of the Guarantor.
- 7. If this document is executed by more than one Guarantor then, in that event, the Obligations hereunder shall be deemed to be the joint and several liability of each of the said Guarantors.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Guarantors have given and executed this Guaranty on the date first above written.

	GUARANTOR:
Social Security Number:	Oscar Molatti
Home Address:	
STATE OF NEW YORK))ss.: COUNTY OF SUFFOLK)	
personally appearedbasis of satisfactory evidence to be the instrument and acknowledged to me that:	, 2024, before me, the undersigned notary public,, personally known to me or proved to me on the individual whose name is subscribed to the within s/he executed the same in his/her capacity, and that by individual, or the person upon behalf of which the
	NOTARY PUBLIC

Schedule C

TENANT AGENCY COMPLIANCE AGREEMENT

EXHIBIT C

TENANT AGENCY COMPLIANCE AGREEMENT

THIS TENANT AGENCY COMPLIANCE AGREEMENT, dated as of ______, 2024, is between the TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its office at 47 West Main Street in Babylon, New York 11702 (the "Agency"), and Natural Foods, Inc. a business corporation duly organized and validly existing under the laws of the State of New York having its principal office 159 Hanse Avenue, Freeport. New York 11520 (the "Tenant"). Capitalized terms used herein without definition shall have the meanings ascribed to them in the Lease Agreement described below.

RECITALS

WHEREAS, the Agency was created by the Enabling Act, as amended, and Chapter 177 of the Laws of 1973 of the State, as amended (collectively, the "Act"); and

WHEREAS, the Agency has previously agreed to assist in the upgrading, renovation and equipping of that certain approximately 142,860 square foot commercial facility located at 201, 211, 215, 301 and 305 Henry Street, a/k/a 2,6,8,10 and 12 Bahama Street, and 0 Forman Street, West Babylon, New York (the "Land"), and the acquisition and installation of certain equipment and personal property therefor (the "Facility Equipment"), all for use by Visual Citi, Inc., a New York corporation (the "Sublessee"), as a warehouse, office, and manufacturing facility in connection with its sign and display manufacturing and distribution facility (the Land, the Improvements, including renovation and reconstruction thereof, and the Facility Equipment, collectively, the "Facility"); and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements, pursuant to a certain Company Lease Agreement (the "Company Lease") dated as of June 2, 2014 (the "Closing Date"), by and between Kiyan Hassan, LLC (the "Company), as lessor, and the Agency, as lessee; and

WHEREAS, the Agency subleased the Facility to the Company pursuant to the Lease and Project Agreement, dated as of the Closing Date (the "Lease Agreement"), by and between the Agency, as sublessor, and the Company, as sublessee; and

WHEREAS, the Company intends to further sublease a portion of the Facility to the Tenant to be used for manufacturing, warehousing, storage and distribution of food products and offices related to same pursuant to a certain Commercial Realty Lease, dated as of April ____, 2024 (the "Tenant Lease Agreement"), by and between the Company and the Tenant, which may be amended from time to time.

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I REPRESENTATIONS AND COVENANTS OF TENANT

- Section 1.1 <u>Representations and Covenants of Tenant</u>. The Tenant makes the following representations and covenants as the basis for the undertakings on its part herein contained:
- (a) The Tenant is a business corporation duly organized and validly existing under the laws of the State of New York, and in good standing under the laws of the State of New York, and has full legal right, power and authority to execute, deliver and perform this Tenant Agency Compliance Agreement. This Tenant Agency Compliance Agreement has been duly authorized, executed and delivered by the Tenant.
- (b) To the best of the Tenant's knowledge, neither the execution and delivery of this Tenant Agency Compliance Agreement nor the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions hereof will conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any law or ordinance of the State or any political subdivision thereof, the Tenant's organizational documents, as amended, or any restriction or any agreement or instrument to which the Tenant is a party or by which it is bound.
- (c) Any and all leasehold improvements undertaken by the Tenant with respect to the Facility and the design, acquisition, construction, renovation, equipping and operation thereof by the Tenant will conform in all material respects with all applicable zoning, planning, building and environmental laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Facility. The Tenant shall defend, indemnify and hold harmless the Agency from any liability or expenses, including reasonable attorneys' fees, resulting from any failure by the Tenant to comply with the provisions of this subsection.
- (d) The Tenant Agency Compliance Agreement constitutes a legal, valid and binding obligation of the Tenant enforceable against the Tenant in accordance with its terms,
- (e) Under penalty of perjury, the Tenant certifies that it is in substantial compliance with all local, state, and federal tax, worker protection and environmental laws, rules and regulations.

ARTICLE II INSURANCE

- Section 2.1 <u>Insurance Required.</u> At all times throughout the Lease Term, including during the Construction Period, if any, the Tenant shall, at its sole cost and expense, maintain or cause to be maintained insurance against such risks, and for such amounts, as are customarily insured against by facilities of like size and type and shall pay, as the same become due and payable, all premiums with respect thereto. Such insurance shall include, without limitation, the following (but without duplication of insurance provided by the Company pursuant to the Lease Agreement covering the same risks and insured(s)):
- (a) Insurance against loss or damage by fire, lightning and other casualties customarily insured against, with a uniform standard extended coverage endorsement, in an amount not less

than the full replacement value of the completed Improvements, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the Tenant, but in no event less than the greater of \$2,000,000 or the amount as may be required by any Lender. During any Construction Period, such policy shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form" and shall contain a provision granting the insured permission to complete and/or occupy.

- (b) Workers' compensation insurance, disability benefits insurance and each other form of insurance which the Company or the Tenant is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company or the Tenant who are located at or assigned to the Facility. This coverage shall be in effect from and after the Completion Date or on such earlier date as any employees of the Company, the Tenant, any contractor or subcontractor first occupy the Facility.
- (c) Insurance protecting the Agency and the Tenant against loss or losses from liability imposed by law or assumed in any written contract (including the contractual liability assumed by the Tenant under Section 3.2 hereof) or arising from personal injury, including bodily injury or death, or damage to the property of others, caused by an accident or other occurrence, with a limit of liability of not less than \$2,000,000 (combined single limit or equivalent for personal injury, including bodily injury or death, and property damage); comprehensive automobile liability insurance covering all owned, non-owned and hired autos, with a limit of liability of not less than \$2,000,000 (combined single limit or equivalent protecting the Agency and the Tenant against any loss, liability or damage for personal injury, including bodily injury or death, and property damage); and blanket excess liability coverage, in an amount not less than \$5,000,000 combined single limit or equivalent, protecting the Agency and the Tenant against any loss or liability or damage for personal injury, including bodily injury or death, or property damage. This coverage shall also be in effect during any Construction Period.
- (d) During any Construction Period (and for at least one year thereafter in the case of Products and Completed Operations as set forth below), the Tenant shall cause the general contractor to carry liability insurance of the type and providing the minimum limits set forth below:
 - (i) Workers' compensation and employer's liability with limits in accordance with applicable law.
 - (ii) Comprehensive general liability providing coverage for:

Premises and Operations
Products and Completed Operations
Owners Protective
Contractors Protective
Contractual Liability
Personal Injury Liability
Broad Form Property Damage
(including completed operations)
Explosion Hazard
Collapse Hazard

Underground Property Damage Hazard

Such insurance shall have a limit of liability of not less than \$2,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

- (iii) Comprehensive auto liability, including all owned, non-owned and hired autos, with a limit of liability of not less than \$2,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).
- (iv) Excess "umbrella" liability providing liability insurance in excess of the coverages in (i), (ii) and (iii) above with a limit of not less than \$5,000,000.
- (e) A policy or policies of flood insurance in an amount not less than the greater of \$1,000,000 or the amount that may be required by any Lender or the maximum amount of flood insurance available with respect to the Facility under the Flood Disaster Protection Act of 1973, as amended, whichever is less. This requirement will be waived upon presentation of evidence satisfactory to the Agency that no portion of the Land is located within an area identified by the U.S. Department of Housing and Urban Development as having special flood hazards.

Section 2.2 Additional Provisions Respecting Insurance.

- (a) All insurance required by this Tenant Agency Compliance Agreement shall be procured and maintained in financially sound and generally recognized responsible insurance companies authorized to write such insurance in the State and selected by the entity required to procure the same. The company issuing the policies required by Section 2.1(a) and (e) hereof shall be rated "A" or better by A.M. Best Co., Inc. in Best's Key Rating Guide. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the procuring entity is engaged. All policies of insurance required by Section 2.1 hereof shall provide for at least thirty (30) days' prior written notice to the Agency of the restriction, cancellation or modification thereof. The policy evidencing the insurance required by Section 2.1(c) hereof shall name the Agency as an additional insured. All policies evidencing the insurance required by Section 2.1(d)(ii) and (iv) shall name the Agency and the Tenant as additional insureds.
- (b) Copies (or executive summaries) of the insurance policies required by Section 2.1(a), (c), and (e) hereof shall be deposited with the Agency on or before the date hereof. Copies (or executive summaries) of the insurance policies required by Section 2.1(d)(ii), (iii) and (iv) hereof shall be delivered to the Agency on or before the commencement of any Construction Period. The Tenant shall deliver to the Agency before the first Business Day of each calendar year thereafter a certificate dated not earlier than the immediately preceding month reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance of the types and in the amounts required by Section 2.1 hereof and complying with the additional requirements of Section 2.2(a) hereof. Prior to the expiration of each such policy or policies, the Tenant shall furnish to the Agency and any other appropriate Person a new policy or policies of insurance or evidence that such policy or policies have been renewed or replaced or are no longer required by this Tenant Agency Compliance Agreement. The Tenant shall provide such further

information with respect to the insurance coverage required by this Tenant Agency Compliance Agreement as the Agency may from time to time reasonably require.

Section 2.3 Application of Net Proceeds of Insurance. The Net Proceeds of the insurance carried pursuant to the provisions of Section 2.1(b) and (c) hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid. The Net Proceeds of the insurance carried pursuant to the provisions of Section 2.1(a) hereof shall be applied in accordance with the provisions of the Tenant Lease Agreement.

Section 2.4 Right of Agency to Pay Insurance Premiums. If the Tenant fails to maintain or cause to be maintained any insurance required to be maintained by Section 2.1 hereof, the Agency may pay or cause to be paid the premium for such insurance. No such payment shall be made by the Agency until at least ten (10) days shall have elapsed since notice shall have been given by the Agency to the Tenant. No such payment by the Agency shall affect or impair any rights of the Agency hereunder arising in consequence of such failure by the Tenant. The Tenant shall, on demand, reimburse the Agency for any amount so paid or for expenses or costs incurred in the performance of any such act by the Agency pursuant to this Section (which shall include all reasonable legal fees and disbursements), together with interest thereon, from the date of payment of such amount, expense or cost by the Agency at a rate equal to two percent (2%) plus the Prime Rate, but in no event higher than the maximum lawful prevailing rate.

ARTICLE III SPECIAL COVENANTS

No Warranty of Condition or Suitability by Agency. THE AGENCY HAS Section 3.1 MADE AND MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, FITNESS, DESIGN, OPERATION OR WORKMANSHIP OF ANY PART OF THE FACILITY, ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE QUALITY OR CAPACITY OF THE MATERIALS IN THE FACILITY, OR THE SUITABILITY OF THE FACILITY FOR THE PURPOSES OR NEEDS OF THE TENANT OR THE EXTENT TO WHICH FUNDS AVAILABLE TO THE TENANT WILL BE SUFFICIENT TO PAY THE COST OF COMPLETION OF THE FACILITY. THE TENANT ACKNOWLEDGES THAT THE AGENCY IS NOT THE MANUFACTURER OF THE FACILITY EQUIPMENT NOR THE MANUFACTURER'S AGENT NOR A DEALER THEREIN. THE TENANT, ON BEHALF OF ITSELF IS SATISFIED THAT THE FACILITY IS SUITABLE AND FIT FOR PURPOSES OF THE TENANT. THE AGENCY SHALL NOT BE LIABLE IN ANY MANNER WHATSOEVER TO THE TENANT OR ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED, DIRECTLY OR INDIRECTLY, BY THE PROPERTY OF THE FACILITY OR THE USE OR MAINTENANCE THEREOF OR THE FAILURE OF OPERATION THEREOF, OR THE REPAIR, SERVICE OR ADJUSTMENT THEREOF, OR BY ANY DELAY OR FAILURE TO PROVIDE ANY SUCH MAINTENANCE, REPAIRS, SERVICE OR ADJUSTMENT, OR BY ANY INTERRUPTION OF SERVICE OR LOSS OF USE THEREOF OR FOR ANY LOSS OF BUSINESS HOWSOEVER CAUSED.

Section 3.2 Hold Harmless Provisions.

- The Tenant agrees that the Agency and its directors, members, officers, agents (except the Company) and employees shall not be liable for, and agrees to defend, indemnify, release and hold the Agency and its directors, members, officers, agents and employees harmless from and against, any and all (i) liability for loss or damage to Property or injury to or death of any and all Persons that may be occasioned by, directly or indirectly, any cause whatsoever pertaining to the Facility or to common areas or other portions of the Facility to which the Tenant has regular access (such areas, together with the Facility, are hereinafter referred to as the "Tenant Premises"), or arising by reason of or in connection with the occupation or the use thereof or the presence of any Person or Property on, in or about the Tenant Premises, and (ii) liability arising from or expense incurred in connection with the Agency's participation in the subleasing of the Facility to the Tenant, including, without limiting the generality of the foregoing, all claims arising from the breach by the Tenant of any of its covenants contained herein, the exercise by the Tenant of any authority conferred upon it pursuant to this Tenant Agency Compliance Agreement and all causes of action and reasonable attorneys' fees (whether by reason of third party claims or by reason of the enforcement of any provision of this Tenant Agency Compliance Agreement (including without limitation this Section) or any other documents delivered by the Agency in connection with this Tenant Agency Compliance Agreement), and any other expenses incurred in defending any claims, suits or actions which may arise as a result of any of the foregoing, to the extent that any such losses, damages, liabilities or expenses of the Agency are not incurred and do not result from the gross negligence or intentional or willful wrongdoing of the Agency or any of its directors, members, agents or employees. Except as otherwise provided herein, the foregoing indemnities shall apply notwithstanding the fault or negligence in part of the Agency, or any of its members, directors, officers, agents or employees, and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability. The foregoing indemnities are limited only to the extent of any prohibitions imposed by law, and upon the application of any such prohibition by the final judgment or decision of a competent court of law, the remaining provisions of these indemnities shall remain in full force and effect.
- (b) Notwithstanding any other provisions of this Tenant Agency Compliance Agreement, the obligations of the Tenant pursuant to this Section shall remain in full force and effect after the termination of this Tenant Agency Compliance Agreement until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought, and payment in full or the satisfaction of such claim, cause of action or prosecution relating to the matters herein described and the payment of all expenses and charges incurred by the Agency or its members, directors, officers, agents and employees relating to the enforcement of the provisions herein specified.
- (c) In the event of any claim against the Agency or its members, directors, officers, agents or employees by any employee or contractor of the Tenant or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the obligations of the Tenant hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, disability benefits or other employee benefit acts.

Section 1 Right to Inspect the Facility. The Agency and its duly authorized agents shall have the right at all reasonable times and upon reasonable prior written notice to inspect the Facility.

Section 3.4 Qualification as Project.

- (a) The Tenant will not take any action, or fail to take any action, which action or failure to act would cause the Facility not to constitute a "project" as such quoted term is defined in the Act. Without limiting the generality of the foregoing, the Tenant will in no event use the Facility in such a way as to cause or permit the Facility to be used in violation of Section 862(2)(a) of the Act.
- (b) The occupation of the Facility has not and will not result in the removal of a facility or plant of the Tenant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Tenant located within the State except as necessary to further the interest of Tenant and to avoid leaving the State of New York.

Section 3.5 Compliance with Orders, Ordinances, Etc.

- (a) The Tenant, throughout the Lease Term, agrees that it will promptly comply, and cause any sublessee of the Tenant or occupant of the Facility which is occupying the Facility by permission of the Tenant to comply, with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Facility or the Facility, or to the acquisition, construction, renovation and/or equipping of the Facility, or to any use, manner of use or condition of the Facility or any part of the Facility, of all federal, state, county, municipal and other governments, departments, commissions, boards, courts, authorities, officials and officers having jurisdiction of the Facility or any part thereof, and companies or associations insuring the premises.
- The Tenant shall keep or cause the Facility to be kept free of Hazardous Substances. Without limiting the foregoing, the Tenant shall not cause or permit the Facility to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Substances, except in compliance with all applicable federal, state and local laws or regulations, nor shall the Tenant cause or permit, as a result of any intentional or unintentional act or omission on the part of the Tenant or any of its contractors, subcontractors or tenants, a release of Hazardous Substances onto the Facility or onto any other property. The Tenant shall comply with, and ensure compliance by all of its contractors, subcontractors and subtenants with, all applicable federal, state and local environmental laws, ordinances, rules and regulations, whenever and by whomever triggered, and shall obtain and comply with, and ensure that all of its contractors, subcontractors and subtenants obtain and comply with, any and all approvals, registrations or permits required thereunder. The Tenant shall (i) conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions necessary to clean up and remove all Hazardous Substances released, stored, generated or used by it on, from or affecting the Facility (A) in accordance with all applicable federal, state and local laws, ordinances, rules, regulations and policies, (B) to the satisfaction of the Agency, and (C) in accordance with the orders and directives of all federal, state and local governmental authorities; and (ii) defend, indemnify and

hold harmless the Agency, its employees, agents, officers, members and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to (A) the presence, disposal, release or threatened release of any Hazardous Substances which are on, from or affecting the soil, water, vegetation, buildings, personal property, persons, animals or otherwise, (B) any bodily injury, personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Substances, (C) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Substances, or (D) any violation of laws, orders, regulations, requirements or demands of government authorities, or of any policies or requirements of the Agency, which are based upon or in any way related to such Hazardous Substances, and in all cases which result from the intentional or unintentional act or omission of the Tenant or any of its contractors, subcontractors or subtenants, including, without limitation, reasonable attorney and consultant fees, investigation and laboratory fees, court costs and litigation expenses. The provisions of this Section shall be in addition to any and all other obligations and liabilities the Tenant may have to the Agency at common law and shall survive the transactions contemplated herein.

- (c) Notwithstanding the provisions of subsections (a) and (b) above, the Tenant may in good faith contest the validity or the applicability of any requirement of the nature referred to in such subsections (a) and (b) by appropriate legal proceedings conducted in good faith and with due diligence. In such event, the Tenant may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom, unless the Agency shall notify the Tenant that, by failure to comply with such requirement or requirements, the Facility or any part thereof may be subject to loss, penalty or forfeiture, in which event the Tenant shall promptly take such action with respect thereto or provide such security as shall be reasonably satisfactory to the Agency. If at any time the then existing use or occupancy of the Facility shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, the Tenant shall use reasonable efforts not to cause or permit such use or occupancy by the Tenant to be discontinued without the prior written consent of the Agency, which consent shall not be unreasonably withheld.
- (d) Notwithstanding the provisions of this Section, if, because of a breach or violation of the provisions of subsection (a) or (b) above (without giving effect to subsection (c)), the Agency or any of its members, directors, officers, agents or employees shall be threatened with a fine, liability, expense or imprisonment, then, upon notice from the Agency, the Tenant shall immediately provide legal protection or pay an amount or post a bond in an amount necessary, in the opinion of the Agency and of its members, directors, officers, agents and employees, to the extent permitted by applicable law, to remove the threat of such fine, liability, expense or imprisonment.
- (e) Notwithstanding any provisions of this Section, the Agency retains the right to defend itself in any action or actions which are based upon or in any way related to such Hazardous Substances. In any such defense of itself, the Agency shall select its own counsel, and any and all costs of such defense, including, without limitation, reasonable attorney and consultant fees, investigation and laboratory fees, court costs and litigation expenses, shall be paid by the Tenant,

Section 3.6 Agreement to Provide Information. Annually, the Tenant shall provide the Agency with a certified statement and documentation (i) enumerating the FTE jobs, by category, retained and/or created at the Facility as a result of the Agency's financial assistance and (ii) indicating the fringe benefits and salary averages or ranges for such categories of FTE jobs created and/or retained. The Tenant further agrees to provide and certify or cause to be provided and certified whenever requested by the Agency any other information concerning the Tenant, its respective finances, its respective operations, its respective employment and its affairs necessary to enable the Agency to make any report required by law, governmental regulation, including, without limitation, any reports required by the Act, the Public Authorities Accountability Act of 2005, or the Public Authorities Reform Act of 2009, each as amended from time to time, or any other reports required by the New York State Authority Budget Office or the Office of the State Comptroller, or any of the Agency Documents or Tenant Documents. Such information shall be provided within thirty (30) days following written request from the Agency.

Section 3.7 Employment Opportunities; Notice of Jobs. The Tenant covenants and agrees that, in consideration of the participation of the Agency in the transactions contemplated herein, it will, except as otherwise provided by collective bargaining contracts or agreements to which it is a party, cause any new employment opportunities created in connection with the Facility to be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the Facility is located (collectively, the "Referral Agencies"). The Tenant also agrees that it will, except as otherwise provided by collective bargaining contracts or agreements to which it is a party, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Section 3.8 Subleasing.

- (a) In accordance with Section 862(1) of the Act, the Facility shall not be occupied by a sublessee whose tenancy would result in the removal of a facility or plant of the proposed sublessee from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of such sublessee located within the State; provided, however, that neither restriction shall apply if the Agency shall determine:
 - (i) that such occupation of the Facility is reasonably necessary to discourage the proposed sublessee from removing such other plant or facility to a location outside the State, or
- (ii) that such occupation of the Facility is reasonably necessary to preserve the competitive position of the proposed sublessee in its respective industry.
- (b) The Tenant may not assign the Tenant Lease Agreement or sub-sublease the Facility without the prior written consent of the Agency. Any assignment or sub-sublease shall conform with the restrictions and requirements set forth in Section 9.3 of the Lease Agreement.

¹Cannot be removed or modified; required by GML Section 859-a(6)(b).

Section 3.9 <u>Definitions</u>. All capitalized terms used in this Tenant Agency Compliance Agreement and not otherwise defined herein shall have the meanings assigned thereto in the Lease Agreement.

Section 3.10 Execution of Counterparts. This Tenant Agency Compliance Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(Remainder of Page Intentionally Left Blank - Signature Page Follows)

Compliance Agreement to be executed	agency and the Tenant have caused this Tenant Agency in their respective names by their duly authorized
representatives, all as of	, 2024.
	TOWN OF BABYLON INDUSTRIAL
	DEVELOPMENT AGENCY
	By:
	Name:
	Title:
	NATURAL FOODS, INC.
	By:
	Name: Oscar Molatti
	Title: President

Schedule D

PARKING MAP

HENRY STREET

# 305 Henry # 301A Henry (Visual Citi occupied) (Visual Citi occupied) B # 12 Bahama # 301B Henry	
" SOID TICKLY	
A (Visual Citi occupied) (Visual Citi occupied) H	
A # 10 Bahama # 301C Henry M 10,000 sq. ft (Visual Citi occupied)	
# 8 Bahama 20,000 sq. ft (Vacant)	
# 2/6 Bahama T	