

SCHWARZ MANAGEMENT, LLC
MANAGING COMPANY FOR
SCHWARZ AND SCHWARZ LLC
1947 N. FAYETTEVILLE STREET
ASHEBORO, NC. 27203
(336) 672-2633

LEASE

STATE OF NORTH CAROLINA
COUNTY OF RANDOLPH

THIS LEASE dated as of October 9, 2020, by and between SCHWARZ AND SCHWARZ, LLC, A NORTH CAROLINA LIMITED LIABILITY COMPANY (hereinafter called "Lessor") and, MPS HRL, LLC, (hereinafter called "Lessee");

WITNESSETH:

Upon terms and conditions hereinafter set forth, the Lessor leases to Lessee and Lessee leases from Lessor property referred to as the Demised Premises, all as follows:

1. **DEMISED PREMISES.** The property hereby leased to Lessee is located at, 148 LFI COMPLEX LANE, UNIT 135, LEXINGTON, DAVIDSON COUNTY, NORTH CAROLINA, and is described or depicted on Exhibit A attached hereto and incorporated herein by reference (the "Demised Premises"). The building in which the Demised Premises are located is referred to herein as the "Building." The Demised Premises are part of the commercial development described or depicted on Exhibit B (the "Project"). Lessor hereby grants Lessee the non-exclusive right with Lessor and other tenants of the Project to use all areas and facilities provided by Lessor for the use of all tenants of the Project, including any driveways, sidewalks and parking, loading and landscaped areas (the "Common Areas"). Leased area totaling 47,000 sq ft.
2. **INITIAL TERM.** This Lease shall commence on January 1, 2021 (the "Commencement Date"), and shall terminate (unless renewed as herein provided) at midnight on December 31, 2025 (five (5) year lease) (hereinafter referred to as the "Lease Term").
3. **RENT.** All rent paid by the Lessee shall be paid in advance without previous demand therefore by Lessor, and without set-off or deduction. Rent shall be payable monthly as follows:

Amount of Rent: \$10,770.84 per month

Due Date: 1ST OF EVERY MONTH

Rent is due on or before the Due Date each calendar month during the term of this Lease. The Due Date is the date on which each installment is payable. Each Due Date is one calendar month from the previous Due Date. In addition to such remedies as may be provided under the Default provisions of this Lease, Lessor shall be entitled to a late charge of five percent (5%) of the amount of the month's Rent if not received by the Due Date plus interest thereon at the rate of eight percent (8%) per annum. Any payment required to be made or cost required to be borne by Lessee under this Lease shall be deemed additional rent.

Rents made payable to: SCHWARZ MANAGEMENT, LLC

Mailed to: PO Box 1104
Asheboro, NC 27204

Made online at: Speak with your property manager to get your account number, then go to www.schwarzproperties.net and click on "Pay Rent". Then follow log-in instructions to create your own account.

Or delivered to: 2201 N. FAYETTEVILLE ST
Asheboro, NC 27203

4. **SECURITY DEPOSIT.** Under the current lease of the Demised Premises by and between Lessor and Lessee dated February 12, 2018 (the "Current Lease"), Lessee has deposited with Lessor the sum of \$3,500.00 as security for the performance by Lessee of


Lessor


Lessee

all the terms, covenants and conditions of the Current Lease. Both parties hereby agree that Lessor shall retain said security deposit as security for the performance by Lessee of all the terms, covenants and conditions of this Lease upon Lessee's part to be performed, which sum shall be returned to Lessee after the expiration of the Lease Term, provided Lessee has fully performed all obligations to be performed by it hereunder. The security deposited by Lessee hereunder shall not bear interest and may be commingled with other funds of Lessor. Upon a default hereunder, Lessor may apply all or part of the security deposit to the curing of such default. In the event that Lessor applies all or part of the security deposit to the curing of a default, Lessee shall immediately deposit with Lessor an amount sufficient to restore the security deposit the amount initially deposited with Lessor.

5. **NOTICES.** All terms and conditions of this Lease shall continue in full force and effect without exception. Any notices which Lessor or Lessee is required or desires to give the other shall be deemed sufficiently given, if in writing, it is delivered personally, or sent by certified or registered mail, postage prepaid, or is sent by nationally recognized overnight delivery service to the address listed after the respective signatures on the last page of this Lease. Any notices given herein shall be deemed delivered when the return receipt therefore is signed, or refusal to accept the mailing by the addressee is noted thereon by the postal authorities or one business day after sending by overnight delivery service.
6. **RENEWAL TERM.** At the expiration of the Lease Term, Lessee shall have one (1) successive option to extend the Lease Term (the "Renewal Option") upon the same terms and conditions, except Rent shall be adjusted as provided herein, for three (3) years (the "Renewal Term"). To exercise the Renewal Option, Lessee shall notify Lessor of such election at least ninety (90) days prior to the expiration of the then current Lease Term. Rent during the Renewal Term shall increase by 5%.
7. **USE.** Lessee may use the Demised Premises for warehousing, but for none other without Lessor's prior written consent, not to be unreasonably withheld, but in no event shall Lessee make any use of the property which is in violation of any governmental laws, rules or regulations, insofar as they might relate to Lessee's use and occupancy of the Demised Premises, nor may Lessee make use of the Demised Premises in a manner which is or might constitute a nuisance, or which increases risk of peril to the Building or which increases the premium for property insurance covering the Building due solely to Lessee's use within the Demised Premises. Lessee shall not, and shall ensure that its employees, agents and contractors do not, engage in any criminal activity on or about the Demised Premises or Common Areas.
8. **COMMON AREAS.** Lessor will have the right to (i) establish, modify and enforce reasonable rules and regulations with respect to the Common Areas; (ii) enter into, modify and terminate easements and other agreements pertaining to the use and maintenance of the Common Areas and any portions thereof; (iii) close any or all portions of the Common Areas to such extent as may, in the opinion of Lessor, be necessary to prevent a dedication thereof or the accrual of any rights by any person or by the public therein; (iv) close temporarily any or all portions of the Common Areas; (v) change the layout and/or configuration of the Common Areas; (vi) change the number and location of buildings, building dimensions, and number of floors in any of the buildings; and (vii) do and perform such other acts in and to the Common Areas and improvements therein as, in the exercise of good business judgment, Lessor shall determine to be advisable.
9. **ENVIRONMENTAL MATTERS.** As used in this Lease, "Hazardous Substance" means any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive, radioactive material, urea formaldehyde foam insulation, asbestos, PCS, or any other substances the removal of which is required, or the manufacture, production, generation, use, maintenance, disposal, treatment, storage, transfer, handling or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county, or municipal statutes or laws now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. §§ 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.), as these laws have been amended or supplemented. Lessee shall not use, or knowingly permit Lessee's agents, employees, contractors and representatives to use the Demised Premises or any other part of the Project for the production, generation, manufacture, treatment, transportation, storage or disposal of any Hazardous Substance, except with the prior written consent of Lessor and in compliance with any and all applicable federal, state and local environmental laws, ordinances and regulations. Provided however, Lessee, without Lessor's prior written consent shall be allowed, in strict compliance with all laws, to utilize ordinary quantities of Hazardous Substances customarily used in general office use and in conformity with the use of the Demised Premises allowed herein (e.g., cleaning supplies, copier toner and similar items). Lessee shall immediately notify Lessor in writing of (a) any release or discharge by Lessee or any other occupant of the Demised Premises of a Hazardous Substance, or (b) any notice of violation or alleged violation of any law regarding any Hazardous Substance at the Building or the Project received by Lessee or any other occupant of the Demised Premises. Lessee shall indemnify, defend and hold harmless Lessor, its officers, agents and employees, from and against any and all claims, damages, expenses, penalties, liability and costs, resulting or arising from a breach of the covenant contained in this Paragraph 9. The provisions of this Paragraph 9 shall survive the expiration or termination of this Lease.


Lessor


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10. **ACCEPTANCE AND MAINTENANCE OF DEMISED PREMISES.** Lessee on occupancy of the Demised Premises represented to the Lessor that it has examined and inspected the same, finds them to be represented by Lessor and satisfactory for Lessee's intended use, and evidences Lessee's acceptance "as is." Lessee agrees that no representation, statement, or warranty, express or implied, has been made by or on behalf of Lessor as to the condition of the Demised Premises, or as to the use that may be made of such property. Except to the extent caused by Lessor's negligence or willful misconduct, in no event shall Lessor be liable for any defect in the Demised Premises or for any limitation on its use. Lessee shall maintain and repair (and so deliver at the end of the Lease) each and every part of the Demised Premises in the same repair as existed on the Commencement Date and in clean condition, and shall make at Lessee's sole cost and expense such non-capital expense replacements, restoration, renewals or repairs, in quality equivalent or better than the original work replaced, and may be required to so maintain the same, ordinary wear and tear only excepted. Lessee shall make no structural or interior alterations of the Demised Premises without Lessor's prior written consent. Any work performed by Lessee shall be done in a good and workmanlike manner. Lessee shall be responsible for obtaining and maintaining all governmental approvals, certificates and permits for the Demised Premises including, without limitation, a certificate of occupancy. Lessee shall reimburse Lessor for any damages resulting from any alterations made by Lessee. Lessee shall not receive any credit towards rental payments for any repairs, alterations, additions, or improvements of any description whatsoever unless approved by Lessor in writing and in advance. All repairs, alterations, additions, or improvements shall become the property of Lessor, except for readily removable trade fixtures which can be removed without damage to the Demised Premises. Lessee shall not at any time permit any work to be performed on the Demised Premises except by duly licensed contractors and artisans, who must carry general public liability insurance, certificates of which shall be furnished to Lessor. At no time may Lessee do any work that results in a claim or lien against the Lessor, and, if required by Lessor on termination of the Lease or vacation of the Demised Premises by Lessee, Lessee shall restore, at Lessee's expense the Demised Premises to the same condition as existed at the Commencement Date, ordinary wear and tear excepted. Within twenty (20) days after such filing, Lessee shall cause to be bonded off or discharged any claim of lien filed against the Demised Premises, Building or Project as a result of any work contracted for by Lessee. At the expiration or termination of this Lease, Lessor shall have the right to remove any trade or other fixtures installed on the Demised Premises by the Lessee. Damages caused by the removal of Lessee's fixtures shall not be considered "ordinary wear and tear." Lessee agrees not to store on the Demised Premises any goods, which would amount to a danger to persons or the Demised Premises or would constitute a violation of any law.
11. **DESTRUCTION OF LESSEE BELONGINGS DUE TO FIRE OR SIMILAR HAZARD.** Lessee is solely responsible for personal or business contents of Demised Premises and holds Lessor harmless of any destruction of such property except to the extent that any such destruction is caused by Lessor's negligence or willful misconduct. It is the sole responsibility of Lessee to obtain insurance for Lessee's contents within the Demised Premises. If the Lessee elects not to obtain such insurance, Lessee is acting solely at Lessee's own risk.
12. **CASUALTY.** In the event that before or during the Lease Term, the Demised Premises or the Building shall be damaged by fire or other casualty which renders the Building, the Demised Premises or any part of the Building or the Demised Premises untenable, Lessor within thirty (30) days after such fire or casualty or of receipt of written notice from Lessee of such damage (whichever shall last occur) shall have the right to either (i) serve written notice upon Lessee of Lessor's intent to repair said damage or (ii) terminate this Lease by written notice to Lessee. If Lessor shall elect to repair such damage, such repairs shall be commenced within thirty (30) days of notice to Lessee of such election and such repairs shall be completed within one hundred eighty (180) days of notice to Lessee of such election. During the period of repair, the rent shall be reduced to an amount which bears the same ratio to the rent payable hereunder as the portion of the Demised Premises then available for use bears to the entire Demised Premises. Upon completion of such repair, rent shall thereafter be paid as if no fire or other casualty had occurred. The other provisions of this Paragraph 12 notwithstanding, Lessor shall have no obligation to (i) replace or repair any property in the Building or on the Demised Premises belonging to Lessee or to any one claiming through or under Lessee, (ii) replace or repair any property on the Demised Premises which Lessor shall have the right to require Lessee to remove from the Demised Premises or any alteration, addition or improvement made to the Demised Premises by, for or at the direction of Lessee, or (iii) expend funds in connection with the restoration of the Demised Premises in excess of insurance proceeds received by Lessor.
13. **ASSIGNMENT.** Lessee may not assign or encumber this Lease, and may not sublet any part or all of the Demised Premises without the written consent of Lessor first had and obtained, such consent not to be unreasonably withheld. Any assignment or sublease to which Lessor may consent shall not relieve Lessee of all obligations hereunder. In no event shall this Lease be assignable by operation of any law, and Lessee's rights hereunder may not become, and shall not be listed by Lessee as, an asset under any bankruptcy, insolvency or reorganization proceedings. Lessee is not, and may not become, and shall never represent itself to be an agent of Lessor, and Lessee expressly recognizes that Lessor's title is paramount, and that it can do nothing to affect or impair Lessor's title. Assignees and sublessees shall be bound by all provisions of this Lease. Notwithstanding anything to the contrary contained herein, Lessee has the right to assign this Lease or sublet all or portions of the Demised Premises to Lessee's affiliates; however, Lessee shall notify Lessor thereof in writing at the time any such assignment or sublease occurs.


Lessor


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14. **ACCESS TO DEMISED PREMISES.** Lessor, as landlord, shall have the right, either itself or through its authorized agents, to enter the Demised Premises at all reasonable times and after reasonable advance notice to Lessee to examine the same, to allow inspection by mortgagees, insurance inspectors, appraisers and contractors and to make such repairs, alterations or changes as Lessor deems necessary.

15. **ACCORD AND SATISFACTION.** Payment by Lessee of an amount insufficient to satisfy the equal monthly installments referred to in Paragraph 3 shall be deemed payment on account of the earliest rent due. No endorsement, statement, or other writing on any check or any letter accompanying any check or payment of rent will be construed as an accord and satisfaction. Lessor will reserve all rights to future payments sufficient to satisfy the equal monthly installments, and Lessor may accept check or payments without prejudice to all rights of recovery provided by this Lease or by law.

16. **TAXES.** Lessor shall pay all ad valorem taxes levied against the real property subject to this Lease. Lessee shall pay all licenses or taxes levied on Lessee's property, Lessee's business, or any fees or charges resulting from, or paid on account of, Lessee's occupancy of the Demised Premises.

17. INSURANCE.

(a) During the term of the Lease (including any renewal term or extension, as the case may be) Lessee, at its sole expense, shall maintain "all risk" property insurance for its personal property, installations and improvements located on the Demised Premises in commercially reasonable amounts and with insurers reasonably satisfactory to Lessor. Lessee acknowledges that Lessor will not carry any insurance on Lessee's property and shall not be obligated to repair any damage thereto or replace such items. Lessor acknowledges that Lessee will not carry any insurance on Lessor's property and shall not be obligated to repair any damage thereto or replace such items.

(b) During the term of the Lease (including any renewal term or extension) Lessee, at its sole expense, shall carry:

(i) a commercial general liability policy in an amount of \$1,000,000 combined single limit, per occurrence and per location, insuring Lessee for bodily injury, personal injury, death and property damage and naming, as additional insureds for both premises liability and products and completed operations liability, Lessor, its agent, Lessor's mortgagee(s), if any, and their officers, members, managing agents, directors, shareholders, trustees, partners, representatives, agents and employees, as their interests may appear ("Additional Insureds"), insuring against any and all liability of the insureds with respect to the Demised Premises and areas adjacent to the Demised Premises (including but not limited to the sidewalk and loading dock) or arising out of, or related to, any occurrence within or about the Demised Premises, Lessee's use or occupancy of the Demised Premises, the condition of the Demised Premises, the acts or omissions of Lessee and its agents, employees and contractors in the Demised Premises and construction and/or maintenance of Lessee's work or other alterations or improvements by Lessee. Such coverage shall be primary and non-contributory with any coverage carried by Lessor.

(ii) a worker's compensation policy with limits required by law, together with employers' liability coverage with a limit of \$500,000. Lessee agrees to waive subrogation rights against Additional Insureds with respect to workers' compensation claims.

(c) All insurance carried by Lessee hereunder shall be in a form and substance and issued by insurers which are reasonably acceptable to Lessor. Lessee shall provide Lessor with certificates evidencing all such insurance. Lessee shall endeavor to deliver to Lessor all insurance certificates provided for in this Lease within ten (10) days of signing, and shall notify Lessor of any material changes or cancellation of said insurance within ten (10) days of said change.

(d) Lessee's contractors shall be required to carry similar commercial general liability insurance listing the Additional Insureds as additional insureds for both premises liability and products and completed operations coverage. Such coverage shall be required to be primary and non-contributory with Lessor's coverage. Lessee's contractors shall also be required to carry statutory workers' compensation coverage with a waiver of subrogation provision in favor of Additional Insureds.

18. **MUTUAL RELEASE; WAIVER OF SUBROGATION RIGHTS.** Lessor and Lessee hereby waive any claim which may arise in favor of the other party, or anyone claiming through or under such party, by way of subrogation or otherwise, against the other party hereto during the Lease Term for any and all loss or damage to any of such party's property, loss of rent or loss or damage resulting from business interruption (whether or not such loss or damage is caused by the fault or negligence of the other party or anyone for whom said other party may be responsible), which loss or damage is covered by a valid and collectible fire or extended coverage property insurance policy. Because the foregoing mutual waivers will preclude the assignment of any aforesaid claim, by


Lessor


Lessee

way of subrogation or otherwise, to an insurance company or any other person, Lessor and Lessee each agree to give to any insurance company which has issued (or shall issue) to such party a policy of extended coverage property insurance, immediate written notice of the terms of said mutual waivers and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage's by reason of said waivers.

19. **UTILITIES.** Lessee shall pay promptly, when due, all charges payable for utilities including but not limited to, all charges for light, heat, electricity, water, sewerage, and any fuel for the provision of the foregoing to the Demised Premises.

20. **INDEMNIFICATION.** Any and all goods stored by Lessee on the Demised Premises are stored entirely at Lessee's own risk! Except to the extent caused by Lessor's negligence or willful misconduct, the parties hereto mutually agree that Lessee shall have no right to claim any compensation or reimbursement for any damage suffered by, or alleged to have been suffered or sustained by, any of Lessee's goods while stored on the Demised Premises. Lessee acknowledges and understands that it is Lessee's obligation to maintain insurance on any property of Lessee's stored on the Demised Premises; Lessor does not insure Lessee's goods in any way, and shall have no responsibility to Lessee for any damage to or deterioration of Lessee's goods stored on the Demised Premises other than if any such damage is caused by Lessor's negligence or willful misconduct, whether such damage results from fire, flood, windstorm, rain, water damage, hail, sleet, theft, vandalism, or any other cause whatsoever.

Lessee shall indemnify, defend (with counsel reasonably acceptable to Lessor) and hold harmless Lessor, its agent, Lessor's mortgagee(s), if any, and their officers, members, managing agents, directors, shareholders, trustees, partners, representatives, agents and employees from and against any and all claims, suits, actions, proceedings, liabilities, damages, costs or expense, including attorneys' fees and other defense costs (collectively, "Damages"), arising (i) from any act, omission, or negligence of Lessee or its officers, contractors, licensees, agents, employees, sublessors and assignees in or about the Demised Premises, (ii) from Lessee's use and occupancy of the Demised Premises or the business conducted by Lessee therein, (iii) from any breach or default under this Lease by Lessee, including but not limited to failure to insure the Demised Premises as required, or (iv) from any accident, injury, or damage, howsoever and by whomsoever caused, to any person or property, occurring in or about the Demised Premises. The furnishing of insurance by Lessee or Lessor shall not be deemed to limit Lessee's obligations under this paragraph. Notwithstanding anything to the contrary set forth in this Lease, this provision shall not be construed to make Lessee responsible for any Damages resulting from injuries or death to the extent caused by the negligence or misconduct of Lessor.

21. **DEFAULT.** If Lessee fails to pay any installment of Rent as provided in the Lease, breaches any other agreement or obligation herein set forth, which is not cured within ten (10) days after written notice to the Lessee of such breach, files (or has filed against it) any petition of action for relief under any creditor's law (including, without limitation, bankruptcy, reorganization, or similar actions), either in State or Federal Court, then in addition to any other lawful right or remedy which it may have either at law or in equity, Lessor, may do the following: (a) declare the rent for the balance of the term immediately due and payable, and collect the same by lawful judicial processes; (b) terminate this Lease, or repossess the Demised Premises, and with or without terminating the Lease, relet the same at such amount as Lessor deems reasonable, and if the amount is less than Lessee's rent, Lessee shall immediately pay the difference on demand to Lessor, but if in excess of Lessee's rent, the entire amount shall belong to Lessor free of any claim of Lessee thereto; (c) cure such breach or default, in which case Lessee shall reimburse Lessor for all expenses incurred by Lessor in doing so, plus interest thereon at the rate of eight percent (8%) per annum; and/or (d) pursue any combination of such remedies and/or any other remedy available to Lessor on account of such breach or default under applicable law or at equity. All expenses of Lessor in repairing, restoring or altering the Demised Premises for reletting, together with expenses in seeking and obtaining a new Lessee, shall be charged to and a liability of Lessee. Furthermore, with respect to personal property left on the Demised Premises after default, Lessee accepts the provisions of N.C. 44A relating to statutory liens and consents to the enumerated enforcement provisions. All rights and remedies of Lessor are cumulative, and the exercise of one shall not be an election excluding Lessor at any other time from exercise of a different or inconsistent remedy. No waiver by Lessor of any covenant or condition shall be deemed to imply or constitute a further waiver of the same at a later time.

22. **MISCELLANEOUS.** Headings of paragraphs are for convenience only and shall not be considered in construing the meaning of the contents of such paragraphs. The invalidity of any portion of the Lease shall not have any effect on the balance hereof. This Lease shall be binding upon the respective parties hereto, and upon their heirs, permitted subleases, executors, successors and permitted assigns. This Lease supersedes and cancels all prior negotiations between the parties and modifications shall be in writing signed by the party affected by such modification. This Lease may be executed by facsimile or other electronic transmission and in several counterparts, and all counterparts so executed will constitute one document binding upon all the parties, notwithstanding the fact that all of the parties have not signed the original or the same counterpart.


23. **FINAL INSPECTION.** Lessee shall meet with Lessor or Lessor's agent for Lessor to conduct a final inspection of the Demised Premises on the last day of the Lease Term or on such other date as is mutually agreed. Lessee shall return all keys to the Demised Premises to Lessor at said final inspection. The cost of any damage to the Demised Premises, other than ordinary wear and tear, may, in Lessor's option, be deducted from the Security Deposit. If the cost to repair damage to the Demised Premises exceeds the


Lessor


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Security Deposit, then Lessee shall be liable to Lessor for the excess. Failure to do a final inspection is a waiver of Lessee objection to any damage subsequently discovered and billed to Lessee.

24. **MECHANICS' AND MATERIALMEN'S LIENS.** Within twenty (20) days after the filing of a claim of lien, Lessee shall bond, remove or have removed any mechanic's, materialmen's or other lien filed or claimed against the Demised Premises by reason of labor or materials provided for or at the request of Lessee or any of its contractors or subcontractors, or otherwise arising out of Lessee's use or occupancy of the Demised Premises, and indemnify, defend and hold harmless Lessor against and from any and all liability or expense (including, without limitation, reasonable attorneys' fees) incurred by Lessor on account of any such lien or claim.
25. **BROKERS.** Lessee represents and warrants to Lessor that it has not dealt with any real estate broker or other person who may claim a fee or commission in connection with this Lease, other than Anne Johnson of CBRE/Ralieggh ("Broker"), and agrees to indemnify, defend and hold Lessor harmless against any such claim made by any other broker claiming by, through or under Lessee. Lessee's obligations hereunder shall survive the expiration or earlier termination of this Lease. Lessee has agreed to compensate Broker pursuant to separate written agreement by and between Lessee and Broker.
26. **HOLDING OVER.** Lessee agrees at the termination of this Lease, by lapse of time or otherwise, to forthwith leave, surrender, and yield up the Demised Premises and any holding over or continuance in the occupancy of the Demised Premises shall not create an extension of this Lease but instead Lessee shall be a tenant at will at the option of Lessor, subject to removal by Lessor by summary process and proceedings. An acceptance of Rent by Lessor during such holding over period shall operate to create a tenancy from month to month only, terminable upon thirty days' notice and in such case all provisions of this Lease not inconsistent with a tenancy from month to month shall remain in force except that the Rent shall be 150% of the then current Rent.
27. **EVICTON EXPENSES.** If Lessee defaults in the observance or performance of any of the terms or provisions of this Lease, or defaults in surrendering possession upon the expiration or earlier termination of the term of the Lease, or defaults on any covenant of Lessee in this Lease, Lessee shall pay and indemnify Lessor against all legal costs and charges, including counsel fees lawfully and reasonably incurred, in obtaining possession of the Demised Premises or in enforcing the covenants contained herein.
28. **CONDEMNATION.** In the event the whole or any material part of the Demised Premises, Building or Project shall be taken by eminent domain or in any manner for a public use, or are conveyed to or at the direction of any governmental entity under a threat of any such taking (each of which is hereinafter referred to as a "Condemnation"), then Lessor may at its option terminate this Lease. Lessee shall not be entitled to any part of any award or payment which may be paid to Lessor or made for Lessor's benefit in connection with such public use and Lessee shall have no claim or rights as against Lessor for the value of any unexpired Lease Term. If there is a Condemnation and this Lease is not terminated pursuant to the foregoing provisions of this paragraph, then this Lease shall be unaffected by such Condemnation except that the Rent shall be equitably reduced in proportion to the reduction in useful area of the Demised Premises to Lessee as a result of the Condemnation. If there is a Condemnation, Lessor shall have no liability to Lessee on account of any (i) interruption of Lessee's business upon the Demised Premises, (ii) diminution in Lessee's ability to use the Demised Premises, or (iii) other injury or damage sustained by Lessee as a result of such Condemnation. Lessor shall be entitled to conduct any such condemnation proceeding and any settlement thereof free of interference, and Lessee hereby waives any right which it might otherwise have to participate therein.
29. **SUBORDINATION TO EXISTING AND FUTURE MORTGAGES AND DEEDS OF TRUST.** This Lease is subject and subordinate at all times to the lien of existing and future mortgages or Deeds of Trust on the Demised Premises, Building or Project. Although no instrument or act on the part of the Lessee be necessary to effectuate such subordination, the Lessee will, nevertheless, execute and deliver within 10 days of a request therefor such further instruments subordinating this Lease to the lien of all such mortgages or Deeds of Trust as may be desired by the mortgagee, lending institutions, trustee, or attorney for any one of the above. The Lessee hereby appoints Lessor its attorney-in-fact, irrevocably, to execute and deliver any such instrument for the Lessee.
30. **ESTOPPEL CERTIFICATE.** Lessee agrees, upon Lessor's demand, that it will execute and deliver to Lessor, within ten (10) business days after such request, a statement detailing the status of the rental payments due hereunder, setting forth whether or not Lessor is in default in the performance of its obligations under this Lease, stating the commencement and expiration dates of the Lease Term, and such other matters as Lessor may reasonably request. Such estoppel certificate may, among other things, provide that Lessee shall not agree to any alteration or modification of this Lease or pay any rent due hereunder more than one month in advance of the due date, without first obtaining prior written approval of the lender or mortgagee requiring the execution of said estoppel certificate. If Lessee fails to execute and return to Lessor such estoppel certificate within ten (10) business days after Lessor's delivery of such estoppel certificate to Lessee, Lessee shall be conclusively deemed to have verified and affirmed the statements set forth in such estoppel certificate, and Lessor and any lender or purchaser may rely upon such deemed verification and affirmation.


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Lessee

31. **LIMITATION OF LIABILITY.** Neither the Lessor, nor any of its members, officers, managers, or agents, or their respective successors or assigns shall have any personal liability with respect to any of the provisions of this Lease. If Lessor is in default with respect to its obligations under this Lease, Lessee shall look solely to Lessor, and to any insurance policy or policies maintained by Lessor and affording Lessee coverage, for satisfaction of Lessee's remedies, if any. In addition, under no circumstances shall either party hereto be liable to the other under this Lease for consequential, incidental, indirect, special, exemplary, punitive or any other damages not specifically referred to herein (collectively, "Consequential Damages"), regardless of whether either party has notified the other of the possibility thereof. The restrictions set forth in this provision include, but are not limited to, the recovery of lost profits, lost opportunity, loss of use and/or production and downtime expenses.
32. **TRANSFER OF LESSOR'S INTEREST.** The term "Lessor" as used in this Lease means only the owner of the Demised Premises so that in the event of any sale or sales of the Demised Premises, Lessor shall be and hereby is entirely freed and relieved of all covenants and obligations of Lessor hereunder and it shall be deemed and construed without further agreement between the parties or their successors in interest or between the parties and the purchaser at any such sale, that the purchaser has assumed and agreed to carry out any and all covenants and obligations of Lessor hereunder. Any security given by Lessee to Lessor to secure performance of Lessee's obligations hereunder may be assigned and transferred by Lessor to the successor in interest to Lessor; and, upon acknowledgement by such successor of receipt of such security and its express assumption of the obligation to account to Lessee for such security in accordance with the terms of this Lease, Lessor shall thereby be discharged of any further obligation relating thereto. Lessor's assignment, sale or transfer of the Lease or of any or all of its rights herein shall in no manner affect Lessee's obligations hereunder. Lessee shall thereafter attorn and look to such assignee, as Lessor, provided Lessee has first received written notice of such assignment of Lessor's interest.
33. **INTERPRETATION AND CONSTRUCTION.** The laws of the State of North Carolina shall govern the validity, performance and enforcement of this Lease without regard to its conflicts of law doctrines. The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions. Any word contained in the text of this Lease shall be read as the singular or the plural and as the masculine, feminine or neuter gender as may be applicable in the particular context. The provisions of this Lease shall be binding on and inure to the benefit of the parties, their legal representatives, successors and permitted assigns.
34. **SIGNAGE.** Lessor agrees that Lessee shall have the right to install signage at Lessee's expense; provided, however that any signage shall conform to applicable law and ordinances and shall be approved in writing by Lessor prior to being placed on the property.

REMARKS:

LESSOR AGREES TO:

- REPLACE THREE (3) LOADING DOCK DOORS (MANUAL)
- REPLACE DOCK LEVELERS
- INSTALL TWO (2) EXTERIOR LIGHTS AT DOCK AREA

LESSEE

- SHALL BE RESPONSIBLE FOR INTERIOR LIGHTING AND PROVIDE OPERATIONAL AT TERM OF LEASE

(Signatures are on the following page.)

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease in duplicate originals, all as of the day and year first above written.

LESSOR: SCHWARZ AND SCHWARZ LLC

BY:

DocuSigned by:
Chad Varner
07556EC9D4884F9...Chad Varner
Managing Member
(SEAL)

ADDRESS: 2201 N. FAYETTEVILLE STREET
ASHEBORO, NC 27203

PHONE: (336) 672-2633

LESSEE: MPS HRL LLC

BY:

DocuSigned by:
John Stakel
95A501CADD244FB... John D. Stakel
Senior Vice President
(SEAL)

ADDRESS: 1000 Abernathy Road
Atlanta, Georgia 30328
Attn: General Counsel

PHONE: (678) 291-7411

TAX ID NO: 26-4349657

ACCOUNTING Bert Collins

EMAIL: bert.collins@westrock.com

EMER. CONTACT: Bert Collins (678-291-7411)

CORPORATE STATUS: _____ INDIVIDUAL / SOLE PROPRIETOR _____ CORPORATION
Company _____ PARTNERSHIP _____X_____ OTHER: Limited Liability

DS
CV
Lessor

DS
JS
Lessee

Exhibit A

Demised Premises



Lessor

ds
Lessee

Exhibit B The Project

