

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report: May 9, 2019
(Date of earliest event reported)

CLEARFIELD, INC.
(Exact name of registrant as specified in charter)

Minnesota
State or other jurisdiction of incorporation

000-16106
(Commission File Number)

41-1347235
(IRS Employer Identification No.)

7050 Winnetka Avenue North, Suite 100, Brooklyn Park, MN 55428
(Address of principal executive offices)(Zip Code)

(763) 476-6866
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	CLFD	The NASDAQ Stock Market LLC

Items under Sections 2 through 8 are not applicable and therefore omitted.

Item 1.01 Entry into a Material Definitive Agreement.

On May 9, 2019, Clearfield, Inc. (the "Company") entered into a first amendment (the "First Amendment") to the Company's lease agreement dated September 9, 2014 with First Industrial, L.P. relating to its headquarters at 7050 Winnetka Avenue North, Brooklyn Park, Minnesota. Pursuant to the First Amendment, the leased premises was expanded to include an additional 14,263 square feet of primarily warehouse space from and after June 30, 2019. The First Amendment also changed the schedule for base rent from and after June 30, 2019, resulting in an increase in base rent of approximately \$130,000 on an annualized basis due to the expansion. The Company will have the same termination option over the expansion space as it has over the currently leased space; however, the termination fee was increased by \$35,000 through the First Amendment.

The foregoing summary of the First Amendment does not purport to be complete and is subject to and qualified in its entirety by reference to the First Amendment attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

Exhibit No. Description

10.1 First Amendment to Lease Agreement dated May 9, 2019 by and between First Industrial, L.P. and Clearfield, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CLEARFIELD, INC.

By /s/ Daniel Herzog
Daniel Herzog, Chief Financial Officer

Dated: May 15, 2019

**FIRST AMENDMENT
TO
LEASE AGREEMENT**

THIS FIRST AMENDMENT ("1st Amendment") to Lease Agreement is dated May 9, 2019, by and between FIRST INDUSTRIAL, L.P. ("Landlord"), and Clearfield, Inc., a Minnesota corporation ("Tenant").

RECITALS

WHEREAS Landlord and Tenant entered into a certain Standard Form Industrial Building Lease dated September 9, 2014 (the "Lease"), pursuant to which Tenant leased that certain space, as further described in the Lease (the "Premises") in the building commonly known as 7050 Winnetka Avenue North, Brooklyn Park MN 55428 (the "Building") said Premises containing 70,771 rentable square feet; and

WHEREAS, the Tenant wishes to expand the amount of rentable square footage comprising the Premises, all on the same terms and conditions as stated in the Lease, except as otherwise provided in this Amendment.

WITNESSETH

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants herein contained, Landlord and Tenant hereby agree as follows:

1. **Recitals.** The recitals set forth above are incorporated herein by this reference with the same force and effect as if fully set forth hereinafter.
2. **Capitalized Terms.** Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Lease.
3. **Expansion of Premises.** From and after June 30, 2019 (the "**Expansion Date**"), the Premises shall be expanded to include that certain 14,263 rentable square feet as depicted on Exhibit "A" attached hereto and incorporated herein by this reference (the "**Expansion Space**") such that the Premises shall be comprised of 85,034 rentable square feet, in the aggregate. From and after the Expansion Date, Tenant's Proportionate Share shall be 59.76%. From and after the Expansion Date, any references in the Lease to the Premises shall be deemed to mean the aggregate of the Premises and the Expansion Space.
4. **Base Rent.** Tenant's obligation to pay Base Rent and all other amounts due under the Lease shall continue as set forth in the Lease for the Extended Lease Term, except that the Base Rent for the Premises shall be calculated in accordance with the following: As of the Expansion Date, the Base Rent table in Section 2.2 of the Lease, is hereby deleted in its entirety and the following Base Rent table is substituted in lieu of thereof:

Base Rental Payments

<u>Lease Period</u>	<u>Monthly Base Rent Expansion Space</u>	<u>Monthly Base Rent Current Space</u>	<u>Total Monthly Base Rent</u>
6/30/2019 – 2/29/2020	\$6,153.00	\$32,223.64	\$38,376.64
3/1/2020 – 2/28/2021	\$6,322.38	\$33,029.23	\$39,351.61
3/1/2021 – 2/28/2022	\$6,496.84	\$33,854.96	\$40,351.80
3/1/2022 – 2/28/2023	\$6,676.54	\$34,701.35	\$41,377.89
3/1/2023 – 2/29/2024	\$6,861.62	\$35,568.87	\$42,430.49
3/1/2024 – 2/28/2025	\$7,052.26	\$36,458.10	\$43,510.36

Except with respect to the Base Rent table, Section 2.2 of the Lease shall remain otherwise unmodified.

Estimated Additional Rent: \$ 26,289.68 per month.

5. **Condition of Premises.** Landlord represents and warrants to Tenant that the Expansion Space and all mechanical systems and utilities serving the Expansion Space are in good condition and working order, free from all material and latent defects, except as is otherwise expressly and specifically described in **Exhibit B** of this Amendment ("Landlord Work") with respect to any Landlord repairs. Landlord shall not be obligated to make any other repairs, replacements or improvements (whether structural or otherwise) of any kind or nature to the Premises in connection with, or in consideration of, this Amendment, except if and as specifically set forth in this Amendment.
6. **Broker.** Landlord covenants, warrants and represents that Colliers International was the only broker to represent Landlord in the negotiation of this Amendment. Each party agrees to and hereby does defend, indemnify and hold the other harmless against and from any brokerage commissions or finder's fees or claims therefore by a party claiming to have dealt with the indemnifying party and all costs, expenses and liabilities in connection therewith, including, without limitation, reasonable attorneys' fees and expenses, for any breach of the foregoing. The foregoing indemnification shall survive the termination or expiration of the Lease.
7. **Termination Option.** The Termination Option as stated in the Lease shall also be applicable to the Expansion Space, however the Termination Fee shall increase by \$35,000.00 for a total of \$249,012.48.
8. **Early Access.** From and after the execution of this First Amendment and continuing up and until the Expansion Date (the "**Early Access Period**"), to the extent it does not interfere with the Landlord Work, Tenant may enter into the Expansion Space for the sole purpose of completing Landlord-approved work to fixture the Expansion Space for Tenant's business operations, which shall be performed at Tenant's sole cost and expense and shall be subject to all applicable ordinances and building codes or other laws governing Tenant's right to occupy or perform in the Expansion Space prior to the Expansion Date. Such entry into the Expansion Space shall also be subject to the requirements that (1) prior to Tenant or any of the Tenant Parties obtaining access or entry to the Expansion Space, Tenant must first satisfy the Access Conditions (as hereinafter defined), and (2) Tenant and any and all Tenant Parties shall not disturb the tenancies of any tenants near the Expansion Space or unreasonably interfere with the business operations of such tenants. Tenant agrees that any such entry onto the Expansion Space during the Early Access Period shall be deemed to be under all of the terms, covenants, conditions and provisions of the Lease (except as to the covenant to pay Rent). Subject to Landlord's indemnity under **Section 17.3** of the Lease, Tenant further agrees that Landlord shall not be liable in any way for any injury or death to any person or persons, loss or damage to any of Tenant's property at the Expansion Space or loss or damage to property placed thereon prior to the Expansion Date, the same being at Tenant's sole risk and expense. Any such access or performance in the Premises prior to the Commencement Date shall also be subject to (A) Tenant first providing to Landlord the Certificates of Insurance required under **Section 10.2** of the Lease (the conditions described in clause (A) are collectively referred to herein as the "**Access Conditions**"). Tenant shall place all utilities into their name prior to the commencement of the Early Access Period
9. **Counterparts, Electronic Signature, Facsimile, PDF.** This Amendment may be executed in any number of identical counterparts, all of which, when taken together, shall constitute the same instrument. The parties acknowledge and consent to be bound by electronic signatures, including signatures of any required witness. A facsimile or .pdf copy of this Amendment shall be deemed an original for all relevant purposes.
10. **Energy Usage at the Premises.** If Landlord is required by law to perform energy benchmarking of the Premises, Tenant hereby authorizes Landlord to obtain information, from time to time throughout the Term, regarding Tenant's utility and energy usage at the Premises directly from the applicable utility providers and Tenant shall execute, within five (5) days of Landlord's request, any additional documentation required by any applicable utility provider evidencing such authorization. Further, throughout the Term, (i) within five (5) days of Landlord's request, Tenant shall provide to Landlord all requested information regarding Tenant's utility, energy and space usage at the Premises, and (ii) upon Landlord's delivery to Tenant of written request, Tenant shall deliver to Landlord copies of its utilities bills for the immediately preceding twelve (12) calendar months.

11. **Ratification.** Except as modified by this Amendment, the Lease shall remain otherwise unmodified and in full force and effect and the parties ratify and confirm the terms of the Lease as modified by this Amendment. The Lease (as amended hereby) contains the entire agreement between Landlord and Tenant as to the Premises, and there are no other agreements, oral or written, between Landlord and Tenant relating to the Premises.
12. **Conflict.** Except as amended hereby, the Lease shall be and remain in full force and effect. In the event of any conflict between the terms of the Lease and the terms of this Amendment, the terms of this Amendment shall control.
13. **Tenant Operations Inquiry:** Will Tenant be required to make filings and notices or obtain permits as required by Federal and/or State regulations for the operations at the Premises? Specifically:
- | | | |
|--|------------|-----------|
| a. SARA Title III Section 312 (Tier II) reports
(> 10,000lbs. of hazardous materials STORED at any one time) | YES | NO |
| b. SARA Title III Section 313 (Tier III) Form R reports
(> 10,000lbs. of hazardous materials USED per year) | YES | NO |
| c. NPDES or SPDES Stormwater Discharge permit
(answer "No" if "No-Exposure Certification" filed) | YES | NO |
| d. EPA Hazardous Waste Generator ID Number | YES | NO |

List all Hazardous Materials that will be used, stored, handled, generated and/or otherwise present at the Premises. Routine office and cleaning supplies are not included. Make additional copies if required.

Hazardous Materials	Approximate Annual Quantity Used or Generated	Storage Container(s) (i.e. Drums, Cartons, Totes, Bags, ASTs, USTs, etc)

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this 1st Amendment the day and year first above written.

LANDLORD:

First Industrial, L.P., a Delaware limited partnership
By: First Industrial Realty Trust, Inc., a Maryland corporation,
its sole general partner

/s/ James B. Schlundt

By: James B. Schlundt

Its: Regional Manager/Market Leader

TENANT:

Clearfield, Inc., a Minnesota corporation

By: /s/ Cheri Beranek

Name: Cheri Beranek

Its: President and CEO