

and thereby be relieved of all further liability.

5. No failure of Lessee to perform any covenant hereof shall work a default or forfeiture unless same shall continue for thirty (30) days after written notice to Lessee specifying the alleged default.

IN CONSIDERATION OF THE AGREEMENTS herein provided to be kept and performed by Lessor, Lessee covenants and agrees as follows:

6. To pay rental for said premises as above provided (if title of Lessor is by lease or otherwise then absolute ownership, nothing herein contained shall be construed as obligating Lessee for any rent or other charge on account of such original lease or other instrument of title). Lessee shall have the right and privilege of retaining and applying any and all rentals at any time due under this lease to any indebtedness that may be due said Lessee from Lessor.

7. At the expiration of this lease or any extension thereof, Lessee will return to Lessor the premises, other than the property and equipment which Lessee has the right to remove, in as good condition as at the effective date hereof, ordinary use, wear and tear excepted.

IT IS MUTUALLY AGREED BETWEEN THE PARTIES: 8. That in the event the premises herein described and leased shall be rendered unfit for occupancy by fire or storm, or any other cause, the rental named in this lease to be paid shall cease until such time as the property is again put into satisfactory condition for occupancy, which shall be done at the expense of Lessor, and which said Lessor agrees to do forthwith after said premises have been rendered unfit for use or occupancy, as aforesaid. If, for any reason, the said premises are not fully and completely restored and again ready for occupancy within ninety (90) days, Lessee may, at its option, cancel this agreement and everything herein contained.

9. That all notices given under this agreement shall be in writing, forwarded by registered mail to the Lessor, directed to the last address where rent was paid, or to the Lessee addressed to it at its general offices in the City of Charlotte, North Carolina. The date of service of any such notice shall be the date on which such notice is deposited in a United States Post Office.

10. In the event it shall be or become unlawful to sell, store or handle gasoline or other petroleum products on the said premises, or to erect, operate or maintain thereon equipment necessary or convenient for the sale, storage or handling hereof, Lessee shall not be obligated to pay any further rental for said premises until such condition ceases to exist.

11. All other agreements of lease, if any, between the parties hereto, or their predecessors, covering the above described property, are hereby declared satisfied, terminated and superseded by this agreement, as of the beginning date of the original term hereof.

12. This agreement is executed in duplicate, and each duplicate, it is agreed, shall be original evidence of the contract, and further, that this agreement shall not become binding upon Lessee until same has been executed by a duly authorized officer of Lessee and a properly executed copy hereof delivered to Lessor, and further, that until same is executed by a duly authorized officer of Lessee and a copy hereof delivered to Lessor, as aforesaid, that this agreement shall be considered merely a proposal from Lessor to Lessee to lease the premises above described, upon the terms stated, subject to Lessee either accepting or rejecting same.

13. A part performance of this contract by either Lessor or Lessee prior to execution hereof by all parties, shall bind the parties only to the extent of such performance--in the event Lessee declines to enter into this proposed agreement; and should Lessee enter into this proposed agreement, its terms cannot thereafter be varied, except by means of a written instrument executed by Lessor and a duly authorized officer of Lessee.

OTHER AND FURTHER PROVISIONS OF THIS AGREEMENT OF LEASE ARE AS FOLLOWS:

1. Lessee is hereby given the right to erect at its expense a certain type service station suitable for its requirements on the leased premises as set out herein at an estimated cost of approximately \$7,000 (seven thousand dollars).

2. Lessee is given the right and option to purchase the leased premises as set out herein with all improvements for the total sum of \$30,000.00 (thirty thousand dollars) at any time during the term of this lease.

3. It is understood between the parties hereto that the Lessee, in its business of distributing petroleum products manufactured, compounded and distributed by The Pure Oil Company, has the right to use a design for service stations known as the "English Cottage" type, which design is owned exclusively by The Pure Oil Company and has been patented and copy righted, the patent being Design Patent #77,857, and the designation and the number of the copy right in the Copyright Office of the United States being Class I, XXC, No. 15668, and that it was the purpose of The Pure Oil Company, in creating said design of distinctive and individual appearance for use in the distribution of its products, and that such purpose is defeated if such distinctive design is employed for the distribution of petroleum products other than those manufactured and compounded by The Pure Oil Company and distributed by the Lessee.

It is, therefore, mutually agreed that the Lessee at the termination of this lease, or any renewal term thereof, shall at its option be privileged to make certain changes in the appearance of said service station building as detailed in an agreement between the Lessor and Lessee made and entered into as of this date to which reference is hereby made.