

VII. Lessee covenants and agrees, at its own cost and expense, to keep the improvements insured for such amounts and against such casualties as may be required pursuant to the provisions of any mortgage or deed of trust to which this Lease is subordinate as hereinafter provided. In the event of damage to or destruction of the buildings or improvements by any cause whatsoever, whether or not insured against, other than fault of Lessee, Lessors shall promptly, at their own cost and expense to the extent not covered by proceeds of any insurance, repair, replace or rebuild the same so as to replace the premises in as good condition as they were prior to such damage or destruction. If Lessors shall fail promptly to commence such repairs or replacements or to prosecute the same with reasonable diligence, Lessee shall have the right at its option either (a) to make such repairs or replacements at the expense of Lessors to the extent not covered by the proceeds of any insurance, or (b) cancel this Lease and all further liability of Lessee by written notice to the Lessors to be effective as of thirty (30) days after delivery unless during such thirty (30) days period Lessors shall commence or resume the prosecution of the repairs and replacements, as the case may be. There shall be no abatement of rental because of such damage to or destruction of the improvements unless this Lease is cancelled as hereinabove provided, and then only from and after the date of such cancellation.

VIII. Lessee covenants promptly to execute and comply with all statutes, ordinances, rules, orders, regulations and requirements of the Federal, State and City governments and of any and all their Departments and Bureaus applicable to said premises, or to the operation thereof as a drive-in gasoline and service station; all of the foregoing to be at Lessee's own cost and expense.

IX. Lessee covenants to save harmless, protect and indemnify the Lessors from and against any and all losses, damages, claims, suits or actions, judgments and costs, which may arise or grow out of any