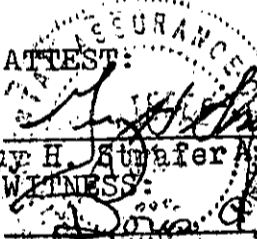



successors and assigns, against the claims and demands of the grantor, and all parties claiming or to claim by, through, or under the grantor, except any claims by reason of a certain lease between Continental Assurance Company, as Lessor, and Fairview Mills, as Lessee, dated June 26, 1951, as assigned by Fairview Mills to Beaunit Mills, Inc. and assumed by Beaunit Mills, Inc. under Assignment and Assumption of Lease and Agreement dated September 30, 1955, and as amended December 8, 1958 and June 15, 1960.

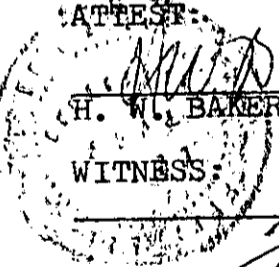
- 3. There will be no pro-rations, since Beaunit is responsible for all taxes, utilities, and other charges under said lease which is a net lease.
- 4. Beaunit will continue to be fully liable for all rent and other obligations of the lessee as specified in said lease, accrued and to accrue to the end of the lease term on June 27, 1966, and Beaunit shall not be entitled to any credit on or reduction of the purchase price for rent or any other payments made by Beaunit under said lease.
- 5. If said lease shall be terminated before its expiration on June 27, 1966, or if Beaunit shall on June 27, 1966, be in default under said lease in the payment of rent or in any other manner that might result in a monetary liability or penalty against Continental, Continental may at its option terminate this contract.

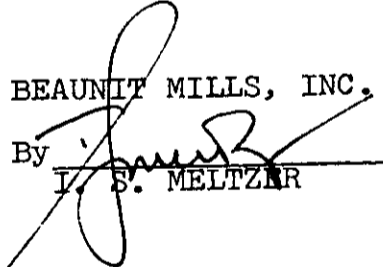
In consideration of the foregoing agreements, Beaunit and Continental hereby agree that all rights of lessee to extend the term of said lease beyond June 27, 1966 are hereby cancelled, and said lease is amended accordingly.

Continental and Beaunit have caused this agreement to be executed and their corporate seals to be impressed by their duly authorized officers.

ATTEST:

 Guy H. Strafer Assistant Secretary
 WITNESS:
 Doris A. Buchanan
 Paul J. Latham

CONTINENTAL ASSURANCE COMPANY
 By 
 pff Boyd N. Everett Vice President

ATTEST:

 H. W. BAKER SECRETARY
 WITNESS:
 Carol Surden
 Francis Gledhill

BEAUNIT MILLS, INC.
 By 
 W. S. MELTZER PRESIDENT