

TO HAVE AND TO HOLD said premises unto the Lessee for a term of six (6) years and ten (10) months, beginning October 1, 1968, and ending July 31, 1975.

In consideration of the leasing of said premises, the mutual covenants of the parties hereto, and the payments hereinafter provided, it is agreed between Lessor and Lessee as follows:

1. Rental. Lessee agrees to pay to Lessor as rent for said premises the sum of Fifteen Thousand and No/100 (15,000.00) Dollars per year, payable One Thousand Two Hundred Fifty and No/100 (1,250.00) Dollars monthly in advance on or before the 5th of each and every month. Said rent shall be payable to Lessor at the office of Alester G. Furman Co., Greenville, South Carolina.

2. Option to Renew. Lessor agrees that Lessee shall have the option to renew this lease for a period of five (5) years, beginning at the expiration of the original term hereof, upon the same terms, conditions, and covenants herein provided except that the rent for this period shall be negotiated; however, in no event shall the rent be less than during the prime term, nor shall the rent be increased during the option period by more than twelve (12) percent per annum. This option may be exercised upon Lessee's giving to Lessor written notice of Lessee's intent to exercise said option at least six (6) months prior to the expiration of the original term hereof.

3. Charges, Taxes, and Fire Insurance. Lessee shall pay all charges against said premises for water, heat, electricity, and sewerage and shall pay all taxes and insurance upon any inventory of its merchandise stored in said warehouse building during the term of this lease agreement.

Lessor shall pay real property taxes on the premises and insure the building situated on said premises; and Lessee shall pay as additional rent any increase in real property taxes over the amount of such taxes paid by the Lessor for the year 1968.

4. Use of Premises. Lessee shall use said premises for warehouse purposes and shall have the right to make sales therefrom.

5. Compliance with Law. Lessee shall use and occupy the

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