

11. The Lessee hereby covenants and agrees to assume all liability for or on account of any injury, loss or damage, in or about the leased premises, and to defend and save the Lessor harmless therefrom, unless due to the Lessor's sole negligence or fault.

12. At such time as the Lessee may desire during the life of the lease or any extension thereof, if possible under the present building codes, the Lessor will, if required by the Lessee and upon three (3) months' written notice and by mutual agreement expand the building to satisfy Lessee's future space requirements. Concurrent with the Lessee's exercise of this option to expand, the Lessee agrees to extend the expiration date of this lease to date no earlier than five (5) years from the date of occupance of the expanded area. Lessee also agrees to pay to Lessor as additional annual rent a maximum of 10% of the total cost of the construction of the agreed expansion.

13. Lessee must approve the cost of construction for any additional area in advance and if Lessee does not approve this cost or if Lessor is unable to expand the building, this lease shall terminate and the Lessee shall have no further obligations hereunder.

14. Lessee shall have the option to renew this lease for a period of five years upon the same terms and conditions and for the same rent as herein provided by giving to the Lessor 90 days' notice in writing of its intention to renew before the expiration of the original term.