

elect to re-enter as herein provided, or should it take possession pursuant to legal proceedings, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Leased Building, and relet said space for such term and at such rentals and upon such other terms and conditions as the Lessor may deem advisable. In the event of such reletting all rentals received by the Lessor shall be applied, first, to the payment of any indebtedness other than rent due hereunder from the Lessees to the Lessor; second, to the payment of any costs and expenses of such reletting, including the expense of alterations and repairs; third, to the payment of rent due and unpaid hereunder, and the residue, if any, shall be held by the Lessor and applied in payment of future rent due and unpaid hereunder. If such reletting shall yield rentals insufficient for any month to pay the rent due by the Lessees hereunder for that month, the Lessees shall be liable to the Lessor for the deficiency and same shall be paid monthly. No such re-entry or taking possession of the Leased Building by the Lessor shall be construed as an election to terminate this Lease unless a written notice of such intention be given by the Lessor to the Lessees at the time of such re-entry. Notwithstanding any such re-entry and reletting without termination, the Lessor may at any time thereafter elect to terminate this Lease for such previous breach, in which event it may recover from the Lessees damages incurred by reason of such breach, including the cost of recovering the Leased Building and the difference in value between the rent reserved hereunder for the remainder of the term and the reasonable rental value of the Leased Building for the remainder of the term. In determining the rent which would be payable by the Lessees hereunder, subsequent to default, the annual rent for each year of the unexpired term shall be equal to the average annual rent paid by the Lessees from the commencement of the term to the date of default.

ARTICLE X. BINDING EFFECT:

This Lease shall be binding upon and shall inure to the