

lien as security for such rental upon the fixtures and equipment belonging to Lessee which are on the demised premises. In the event Lessee shall default in the performance of any of the terms or provisions of this Lease other than the payment of monthly rent, Lessor shall promptly so notify Lessee in writing. If Lessee shall fail to cure such default within twenty (20) days after receipt of such notice, or if the default is of such character as to require more than twenty (20) days to cure and Lessee shall fail to commence to do so within twenty (20) days after receipt of such notice and thereafter fail to diligently proceed to cure such default, then, in either such event, Lessor may cure such default and such expense shall be added to the rent otherwise due, but any such default shall not work as a forfeiture of this lease.

In the event Lessor shall default in the performance of any of the terms or provisions of this lease (other than construction of the improvements), Lessee shall promptly so notify Lessor in writing. If Lessor shall fail to cure such default within twenty (20) days after receipt of such notice or, if the default is of such character as to require more than twenty (20) days to cure, and Lessor shall fail to commence to do so within twenty (20) days after receipt of such notice and thereafter fail to diligently proceed to cure such default, then in either such event, Lessee may cure such default and such expense shall be deducted from the rent otherwise due, or cancel and terminate this Lease.

**LESSOR'S COVENANTS:** Lessor covenants that he has good and marketable title to the demised premises in fee simple. Lessor further covenants that there are no restrictive covenants, liens, encumbrances, or zoning or other ordinances or regulations applicable to the demised premises which will prevent Lessee from conducting its business thereon or by the use thereof.

**QUIET ENJOYMENT:** Lessee, upon paying the rent and performing the covenants and agreements of this lease, shall quietly have, hold and enjoy the demised premises and all rights granted Lessee in this lease during the term hereof and the extensions hereto, if any.

**ASSIGNMENT AND SUBLEASING:** Lessee may, without the consent of Lessor, assign or encumber this Lease or its rights hereunder. In such event Lessee shall remain liable for the payment of all rent required to be paid hereunder and for the performance of all other terms, covenants, and conditions herein undertaken by Lessee. Lessee shall have the right to sublease the demised premises at any time and from time to time during the original term of this Lease or any extension thereof.

**OPTION TO RENEW:** The Lessee is hereby granted the right and option to renew this Lease Agreement for one, two or three additional terms of one (1) year each, from and after the expiration of the original term of the lease, on the same terms and conditions applicable to the original term. If such renewal should be made, the renewed term or terms shall be successive to the term being renewed. In order to exercise said right and option of renewal, the Lessee shall give to the Lessor notice in writing, not less than thirty (30) days prior to the expiration of the term being renewed, of the Lessee's intention to effect such renewal.

It is understood and agreed by and between the parties hereto that in the event Lessee defaults in the primary term of this lease agreement, then in such event Cotton, Inc., a Corporation formed in compliance with the laws of one of the States of the United States, has the right to take the place and stead of the Lessee herein, and Lessor agrees to give unto Cotton, Inc. immediate notice upon default of Lessee under the base term herein.