

insured against by fire and extended coverage type of insurance as now contained in policies in effect in the State of South Carolina, and to pay the premium or premiums on such insurance at the expense of Lessors when due.

12. Loss by Fire or other Casualty: In the event that the improvements on the demised premises are partially destroyed by fire or other casualty, the proceeds of such policy shall be used to restore the premises to their condition prior to the loss and the rental due and payable under the terms of this Lease shall be abated in proportion that the portion of the improvements rendered untenable by fire or other casualty bears to the whole of the improvements. In the event the permanent improvements should be totally destroyed by fire or other casualty, the rent shall be abated in its entirety and the entire proceeds of such policy shall be used to restore said premises to their condition prior to said loss without unnecessary delay after which said rent shall again accrue. In the event any damage to or destruction of the premises cannot reasonably be repaired within ninety (90) days, Lessee shall have the option of terminating this Lease, whereupon all rents herein provided shall abate.

Lessors and Lessee hereby waive any and all rights of recovery against the other for or arising out of damage to or destruction of the demised premises, or the building and improvements thereon, and any other of their property from causes then included under standard fire and extended coverage insurance policies or endorsements.

13. Condemnation: If all or any portion of the demised premises is taken under any condemnation or eminent domain proceeding and if the remaining portion thereof is, in the reasonable judgment and discretion of Lessee, untenable, unusable or inadequate for Lessee's purposes, this Lease shall terminate on the date when the portion of the premises is so taken. Otherwise, the rent shall continue unabated unless the parties agree to some modification thereof.

14. Breach or Default: It is agreed that time is of the essence for the payment of rents and in the event of failure to pay any installment of rent on the due date, or upon the breach of any of the