

In the event the total premises are destroyed by fire, the Lessee will not be obligated to pay the monthly rental while premises are being restored and, further, if fire occasions a partial loss, then so much of the premises as shall be able to be used by the Lessee shall be utilized in pro-rating the rental due the Lessor.

5. If any part of the demised premises shall at any time be condemned by any governmental authority or taken over by the exercise of the power of eminent domain, then this lease shall terminate.

6. In the event the Lessee becomes thirty (30) days in arrears on the said rent, Lessor shall have the right at its option, to terminate the lease. This right shall be in addition to all other rights and remedies available to the Lessor at law.

7. Lessee shall not assign this lease, or sublet the premises until and only written consent is acquired from the Lessor, which consent will not be unreasonably withheld.

8. Lessee agrees to maintain the premises in a good state of repair and return same to the Lessor at termination of this lease agreement in good condition, with ordinary wear and tear excepted, and further agrees to pay for any damages that may have occurred to the premises.

9. It is understood by and between the parties that the chattels and property conveyed by Keowee Mills to Greer Spinning Mill, Inc., as reflected by chattel mortgage executed in favor of Keowee Mills is to be considered trade fixtures and may be moved from the premises at the termination of this lease agreement.

10. This lease, including all of the covenants and conditions herein, shall be binding upon, and inure to the benefit of, the parties hereto respectively and their heirs, executors, administrators, successors and assigns.

(Continued on next page)