

TERM

2. The term of this Lease shall be for Sixty (60) months, commencing October 1, 1984, and ending September 30, 1989, unless extended in accordance with Paragraph 2.1 hereof.

RENEWAL

2.1 The Lessor grants to the Lessee the right or option to extend the provisions of this Lease for an additional period of Sixty (60) months (or from October 1, 1989, to September 30, 1994). The base rental for the renewal term shall be \$9,376.60 per month. Written notice of intention to exercise this option shall be given by the Lessee to the Lessor at least ninety (90) days prior to the expiration of the original term of this Lease.

RENTAL

3. The Lessee agrees to pay Caine Company, 111 William Street, Post Office Box 2287, Greenville, South Carolina 29602, as Agent for Lessor, Seven Thousand, Eight Hundred Twelve and 50/100 Dollars (\$7,812.50) each month, in advance, upon the first day of each month, as a base rental during the term of this Lease.

USE OF
PREMISES

4. The Demised Premises may be used by the Lessee for offices, warehousing, cutting, pressing, the conduct of an outlet store, and ancillary manufacturing purposes.

TAXES

5. Lessor shall pay all property taxes, assessments, and other charges which may be levied, assessed or charged against the Demised Premises, accruing or becoming due and payable during the term of this Lease and any extension thereof. It is further understood and agreed that Lessee shall pay to Lessor the pro-rata portion of the amount of any increases in ad valorem taxes assessed by the County of Greenville and State of South Carolina, solely with respect to the demised premises, over and above the taxes paid by Lessor for the year 1984. This year shall be known as the "base year" and any increase shall be borne by Lessee. Provided, however, that any such increase in ad valorem taxes levied against the demised premises shall be pro-rated between Lessor and Lessee as of the date of commencement of the term hereof for the first year of the term of this Lease, and as of the date of expiration of said term for the last year of the term hereof and any extension thereof, all on the basis of the then last available tax bills.

5.1 The Lessee shall pay all operating license fees for the conduct of its business; ad valorem taxes levied upon its trade fixtures, inventory and stock of merchandise; and documentary

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