

THIS AGREEMENT, made and entered into this 23rd day of June, 1939, by and between J. W. Norwood, of Greenville, South Carolina, Trustee under Deed of Trust dated December 23, 1923, for the grandchildren of said ~~of said~~ J. W. Norwood, and Belle B. Hunt, widow of T. Frank Hunt, individually and as Executrix of and Trustee under the Last Will and Testament of T. Frank Hunt, deceased, and Jessie O. Hunt, Trustee for children of J. Frank Hunt; and Flora H. Sherman, Harriett H. Boseman and David W. Hunt, hereinafter called the "Lessors", parties of the first part, and J. C. Penney Company, a corporation organized and existing under the laws of the State of Delaware, with offices at No. 330 West 34th Street, New York, New York, hereinafter called the "Lessee", party of the second part,

W I T N E S S E T H: THAT

WHEREAS, by Indenture of Lease dated the 29th day of August, 1929, T. Frank Hunt and South Carolina National Bank of Greenville, South Carolina, County of Greenville, Trustee for grandchildren of J. W. Norwood, leased to Lessee certain premises situated in the City and County of Greenville, State of South Carolina, known as Nos. 12-14 North Main Street, Greenville South Carolina, and more particularly described in said Lease, which was filed for record in the office of the R. M. C. for Greenville County, South Carolina, on November 25, 1929, and recorded in Deed Book 153, page 316, said Lease being for a period commencing February 1, 1930, and ending on January 31, 1950, and

WHEREAS, by Decree of the Court of Common Pleas, Greenville County, South Carolina, dated July 8, 1931, J. W. Norwood was substituted as Trustee under said Deed of Trust dated December 23, 1923, in the place and stead of the South Carolina National Bank, and

WHEREAS said T. Frank Hunt died on or about June 28, 1930, leaving a Last Will and Testament under which Belle B. Hunt, widow of said T. Frank Hunt, is acting as sole Executrix and sole Trustee, and

WHEREAS Belle B. Hunt, Jessie O. Hunt, Trustee for children of J. Frank Hunt, Flora H. Sherman, Harriett H. Bozeman and David W. Hunt have joined in the execution of this Agreement in order to bind their individual interests as beneficiaries of the estate of T. Frank Hunt, deceased, and

WHEREAS Lessors and Lessee here mutually agreed that the present passenger elevator and elevator equipment as now installed in the aforementioned demised premises have now become obsolete and inadequate to serve the best interests of both parties, and should be replaced by a new elevator and equipment,

NOW THEREFORE, in consideration of the payment of One Dollar (\$1.00) by each of the parties hereto to the other, and of the mutual promises herein contained, and of other good and valuable considerations, the receipt whereof is hereby acknowledged, Lessors and Lessee do hereby covenant and agree as follows:

1. That the present elevator and equipment complete shall be removed from its shaft, which shaft shall then be so altered, reinforced and improved to meet the full requirements of a new elevator and equipment complete, in accordance with all State and local laws, ordinances and regulations, as well as the latest Elevator Code requirements.
2. That a new elevator and equipment complete, based upon the Lessee's requirements and specifications, shall be installed in the said improved shaft.
3. That if the cost of the new elevator complete, together with all work on the shaft, exceeds Seven thousand Dollars (\$7,000.00) inclusive of any unexpended insurance funds and salvage value of present equipment, the amount by which such cost exceeds Seven thousand Dollars (\$7,000.00) shall be paid for by Lessee. The award of all contracts, and supervision of installation, shall be that of the Lessee.
4. It is further understood and agreed that immediately upon the completion of the installation and acceptance by the Lessee, the Lessee shall make full and complete payment of all costs involved in the carrying out of the work.
5. The cost of said new elevator and of all work on the shaft (up to but not exceeding Seven thousand Dollars (\$7,000.00) in amount), together with interest from the date of payment by Lessee at the rate of three per cent (3%) per annum upon such cost and upon the balance remaining unpaid thereon from time to time, shall be repaid by Lessors to Lessee out of contingent rentals based upon a percentage of Lessee's gross retail sales in excess of Three hundred thousand Dollars (\$300,000.00) per annum, to the extent, and in the manner, following:

At the end of the calendar year 1939, and at the end of each calendar year thereafter when contingent rental payments become payable by Lessee, the Lessee shall have the right to deduct from each such contingent rental payment the amount thereof in excess of One thousand Dollars (\$1,000.00), and apply such excess on account of accrued interest and the amount owing by Lessors on account of the cost of said new elevator and shaft. It is expressly understood and agreed, however, that all of the contingent rental for the calendar year 1949 may be applied by Lessee, if necessary, on account of the payment of interest and the principal amount then owing. If the full cost of said elevator and shaft shall not have been repaid to the Lessee pursuant to the foregoing provisions by the end of the term of said lease, and if Lessee fails to exercise the option to renew said Lease for an additional term of ten (10) years, then Lessee shall have