

(12) The Tenant covenants and agrees with the Landlord that it will not use nor permit said premises to be used for any unlawful purpose nor permit thereon anything which may be or become a nuisance, and that it will not do or permit to be done on said premises anything which may render void or voidable any policy for the insurance of said premises against fire or which may cause the Landlord to have to pay a fire insurance premium at a rate in excess of that which it is forced to pay by reason of the business conducted by the Tenant.

(13) The Tenant agrees to use the demised premises for the operation thereon of general manufacturing work.

(14) This lease shall be subject to and subordinate to that certain lien of mortgage held by The Life Insurance Company of Virginia covering the premises described herein and securing that certain note in the amount of Five Hundred Fifty Thousand Dollars (\$550,000.00) from Blue Ridge Corporation to The Life Insurance Company of Virginia. In the event of foreclosure under said mortgage, this lease shall remain in full force and effect unless terminated at the option of The Life Insurance Company of Virginia. So long as there shall be no default under the said mortgage, this lease shall be operative and in full force and effect.

(15) Notice of default hereunder shall be mailed to Lessee at P.O. Box 6767, Greenville, South Carolina and to The Life Insurance Company of Virginia, 6610 West Broad Street, Post Office Box 2760, Richmond, Virginia, 23261.

IN WITNESS WHEREOF, the Landlord and Tenant have hereunto caused this lease agreement to be duly executed the day and year first above written.

WITNESSES:

Sara A. Barfield  
Crystal G. Dioretti

BLUE RIDGE CORPORATION

By: R. Hunter (SEAL)  
President  
William N. Po  
(Landlord) Secretary