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now are, reasonable wear and tear excepted. Lessor may from time to time inspect said rails in the possession of Lessee, and Lessee will promptly make such changes or alterations, if any, in the track facilities in which the rails are laid as may be suggested in writing by Lessor as necessary in order to protect said rails from damage. It is expressly agreed however, that failure of Lessor so to inspect said rails or to make such written suggestions shall in no way affect, modify or lessen the obligation of Lessee to protect said rails from damage. At the expiration or other termination of this lease the rails returned by Lessee hereunder shall be checked as to quantity and condition, and so much of said rails as shall be so damaged, otherwise than by ordinary wear and tear, as not to be of further use in railroad track facilities shall be rejected by Lessor, and checked as short, and such shortage shall be paid for by Lessee at the rate and in the sum hereinafter, in ARTICLE SIX, provided.

4: The Lessee will indemnify and save harmless the Lessor against any and all claims, losses, or damages, including attorneys' fees in case of litigation, on account of the construction or maintenance of said track facilities upon the land of Lessee or others, or on account of obstruction to the owners of such lands, as well as against all claim or claims, suits or demands on account of stock killed or injured by engines or trains operating on said track facilities at the request of the Lessee, or for its purposes; as well also against claims for damage to or injury of persons or property upon said track facilities as aforesaid, or by fire set out by engines operating thereon as aforesaid.

5: If default shall be made by the Lessee in payment of any installment of the rent herein reserved, or in payment of any monies herein provided for, and such default shall continue for thirty (30) days after such monies or rental are due, or if the Lessee shall fail in any respect to fully and completely comply with and perform the covenants herein contained, by it to be kept and performed, or if the Lessee shall be declared bankrupt, or the property of the Lessee shall be placed in the hands of a receiver or trustee, or taken from the control of the Lessee by operation of law or otherwise, then and in that event, Lessor shall have the option and right to terminate, cancel and annul this contract by notice in writing to the Lessee, and to enter upon any lands and retake and remove the rails hereby leased, without in any way releasing or impairing its right to sue for and recover from the Lessee (i) any rentals or other sums that may be due said Lessor under the terms of this lease, or for shortage in said rails so retaken; and (ii) the cost and expense including attorneys' fees that might arise from any litigation, to the Lessor of so removing said rails.

~~In the event that the surety on the bond of the Lessee hereunder shall, by notice to the Lessor, after the _____ day of _____ 19____, elect to terminate its responsibility under said bond as it has reserved the right to do under the terms of said bond, then and in that event, and notwithstanding any other provision hereof, this agreement shall thereupon be terminated and at an end, without further or any notice by the Lessor to the Lessee.~~

6: The Lessee shall not sublet or remove any of the said rails without the written consent of the Lessor; and that the Lessee will, at the expiration of the life of this agreement, or the sooner termination thereof, take up, and at its own expense deliver to the Lessor, the rails hereby leased, loaded on cars to be furnished by the Lessor, at Mauldin, Greenville County, South Carolina, and will pay for any shortage in the amount so delivered to the Lessor, including shortage of the kind mentioned in ARTICLE 3 hereof, at the rate of \$ 70.00 per ton of 2240 pounds, or aliquot part thereof, for rail and in sum of \$ 296.00 for the other material.

And it is further mutually covenanted and agreed by the parties hereto:

7: Unless terminated by Lessor as in ARTICLE 5 hereof provided, this lease shall continue in force and effect for the full term of One (1) Year, from and after the date hereof, and thereafter, as a lease from month to month, until the same shall be terminated by thirty (30) days' written notice from either party hereto to the other. Upon the giving of said notice in writing, by either party, as aforesaid, said lease shall expire upon the expiration of the thirty days named therein.

8: The Lessee hereby covenants that the rails hereby leased shall not during the term of this lease be laid in the track facilities of, or used by any common carrier of persons or property other than Lessor.

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