

PERCENTAGE RENTAL CLAUSE

The Lessee shall pay rent the sum of / Twenty-nine Thousand Five Hundred Sixty-four
and 80/100 Dollars (\$ 29,564.80) per annum in equal monthly installments of Twenty-four Hundred
Sixty-three & 70/100 - - - Dollars (\$ 2,463.70) each, in advance on the
first day of each month during the term hereof.

In addition to the rental provided for herein, Lessee covenants to pay as percentage
rental an amount equal to 1% of all sales in excess of Two Million Nine Hundred Fifty-
Six Thousand Four Hundred & no/100 Dollars (\$ 2,956,400.00) made in or
from the demised premises per lease year. Said percentage rental shall be payable
on or before the thirtieth (30) day following the close of the lease year.

The term "sales" is hereby defined as the gross receipts received from all sales of
merchandise in the demised premises.

The term "sales" shall not include: Deposit refunds and credits; refunds and
allowances for merchandise returned; any tax on the gross receipts; any sums
collected as an incident to such sales on account of an excise or tax of any kind
which Lessee may become obligated to collect any pay as a result of any law or
ordinance, Federal, State, County or Municipal, now or hereafter enacted; sums paid
by Lessee for Commercial rent or occupancy tax or occupational permits; receipts or
commissions from public pay telephone on the premises; receipts or commissions from
vending machines or weighing machines; receipts from delivery service, if any;
credits accruing to said store arising from the transfer of merchandise from said
store to other stores or locations; credits received resulting from claims for loss
or damage to merchandise; returns to A&P warehouses or direct to shippers or manu-
facturers; returns and allowances, as such terms are known and used by Lessee in
the preparation of Lessee's profit and loss statement; receipts from the sale of
salvage cartons meat scraps and other salvage merchandise; or payments received by
Lessee elsewhere than at the leased premises on orders taken at the lease premises
but filled elsewhere.

At time of payment of the annual percentage rental, Lessee shall submit to Lessor
a written statement showing the amount of sales in the preceding lease year. Said
statement shall be in such form and style and contain such details as Lessor and
Lessee may determine and shall be signed by the Vice President in charge of the
A&P Unit servicing the leased premises. Lessor shall be deemed to have accepted
any such statement as correct, unless, within thirty (30) days after Lessor's re-
ceipt thereof, Lessor gives Lessee written notice of Lessor's dissatisfaction there-
with, in which event Lessor shall have the right within sixty (60) days thereafter
to cause any reputable audit company mutually satisfactory and approved in writing
for the purpose by Lessor and Lessee, to examine and audit, during reasonable
business hours, the books and records of Lessee pertaining to the sale of merchan-
dise in the demised premises for the purpose of verifying the accuracy of said
statement. Such audit shall be accepted by both parties as final.

The term "lease year" shall be deemed to mean each successive twelve (12) month
period beginning January 1 1968.

~~Notwithstanding anything hereinabove contained, it is agreed that whenever the
basic annual rent plus the annual percentage rent exceed _____
Dollars (\$ _____), Lessee shall only be
obliged to pay the aggregate sum of _____
Dollars (\$ _____) for each such year and no statement of sales shall
be submitted to Lessor by Lessee in any such year.~~