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THE TERMS, COVENANTS AND CONDITIONS OF SAID LETTING ARE AS FOLLOWS:

Rent

2. Tenant shall pay as rent for the leased premises, as follows:

(a) A fixed rent of \$2,730.00 per month, commencing either on the date Tenant opens its store for business in the leased premises, or as provided in Article 6, whichever is the earlier; said rent to be payable on the first day of each and every month in advance and to be properly apportioned for any period less than a full calendar month;

(b) If a sum equal to - -

3 % of the cash receipts of sales, as hereinbelow defined,  
up to and including \$1,500,000.00,

plus 2-1/2% of such cash receipts of sales in excess of \$1,500,000.00,

made by Tenant in the operation of Tenant's store on the leased premises in any lease year, as defined in Section (a) of Article 3, shall exceed the total fixed monthly rents under Section (a) hereof for such lease year, then and in such event, and within 25 days after the end of such lease year, Tenant shall pay to Landlord the amount of such excess as additional rent less deductions under Article 21. Within 25 days after the end of each lease year, Tenant shall furnish to Landlord a statement of the total amount of such cash receipts of sales for such lease year. The aforesaid amount of \$1,500,000.00 shall be proportionately adjusted in the case of the first and last lease years if more or less than a full twelve calendar months. If, however, the business described in subsection (1) of Section (a) of Article 8 shall engage in the dispensing of medical prescriptions, then the rates set forth above where applicable to medical prescriptions, shall be reduced to 1-1/2%.

The term "cash receipts of sales" as used herein shall be taken and construed to mean the total amount of all receipts from sales of drugs, food, drinks, goods, wares and merchandise of every sort whatsoever, (less returns and refunds), made by Tenant in the operation of Tenant's store on the leased premises, excepting and excluding receipts from sales of cigarettes, and shall, except as to cigarettes, also include, receipts from sales by any concessionaire therein, and charges or fees received for all services rendered therein. Cash receipts of sales shall not include receipts and commissions from the operation of telephones and public weighing scales therein, nor inter-corporate and inter-store sales or transfers, nor sales of government bonds, savings stamps and other government securities, postage stamps and ready stamped postcards and envelopes nor sales at a discount to employees. Cash receipts of sales shall also not include sales at a discount to doctors, dentists, hospitals, nurses, drug stores or wholesale drug or supply houses. Tenant shall also have the right to deduct and exclude from such cash receipts of sales a sum equal to any approximate amounts which may be paid by Tenant or which Tenant may add to or include in its selling prices of various articles by reason of any sales taxes, use taxes, retailers' occupation taxes, excise taxes at the retail level and the like, now or hereafter imposed and however entitled, and which are based upon the amounts of sales or the units of sales.

Tenant shall cause to be kept, in accordance with its customary accounting procedure, records of the cash receipts of sales made by Tenant in the operation of Tenant's store on the leased premises. Landlord and Landlord's duly authorized representative, at reasonable times during business hours, shall have access to such records at the place where the same are kept, for the purpose of inspecting and auditing the same, provided that any such inspection and audit be made by Landlord within six months after the expiration of any lease year. If Landlord does not object.

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