

during the term of the Agreement with any necessary adjustment being made on the last day of the calendar year. From the Periodic Management Fees received by it Company shall pay all sub-management fees including, without limitation, the fees payable under the Property Management Agreement and shall also pay out of such Periodic Management Fees a supervisory fee to The Smith, Mehre and Smith Company in the amount set forth in Section 5.09 of the Agreement. The supervisory fee payable to The Smith, Mehre and Smith Company shall be payable in arrears on the first day of each month commencing with the first month in which The South Carolina National Bank commences paying full rental under the Bank Lease and continuing thereafter throughout the term of the Agreement.

ARTICLE VI

OWNER'S PREFERRED RETURN; COMPANY'S ADVANCES;  
COMPANY'S INCENTIVE MANAGEMENT FEE

Section 6.01 Owner's Preferred Return; Company's Advances.

Owner is entitled to receive Owner's Preferred Return as follows:

(a) For the calendar year ending December 31, 1975, Owner is entitled to receive Owner's Preferred Return only if and only to the extent that Gross Revenues exceed Operating Expenses;

(b) For the calendar year ending December 31, 1976, Owner is entitled to receive Owner's Preferred Return only if and only to the extent that Gross Revenues exceed Operating Expenses;

(c) For the calendar year ending December 31, 1977, and for each calendar year thereafter, Owner is entitled to receive Owner's Preferred Return regardless of whether Gross Revenues exceed Operating Expenses.

If, by the first day of March of the calendar year 1978 and of each calendar year thereafter during the term of the Agreement, Owner has not received Owner's Preferred Return for the calendar year ending on the preceding December 31 (whether from Operating Income,