

without billing or demand, at the rate of 20 cents per square foot of GLA of the MERCANTILE TRACT and the balance, if any, payable under the foregoing provision shall be paid to DEVELOPER within 90 days next following the end of MERCANTILE'S fiscal year and be accompanied by a written statement of its net retail sales verified by an appropriate fiscal officer.

DEVELOPER covenants and agrees that the services to be rendered by DEVELOPER in operating and maintaining the COMMON AREAS shall be furnished and performed in as economical a manner as is reasonably possible consistent with the proper performance of DEVELOPER'S obligations hereunder.

DEVELOPER shall keep complete records of all expenses constituting the operating and maintenance cost of the COMMON AREAS, and of all payments made by other tenants and occupants, and such records shall be available for inspection by MERCANTILE at all reasonable times for a period of two years after the same have accrued. The payments required by this 12.8 shall be monthly, based on estimates, with an annual adjusted and accounting.

The term "net retail sales" as used herein means the selling price of all goods, merchandise and services sold in or from any part of MERCANTILE BUILDING including any orders taken by telephone or mail from MERCANTILE BUILDING and shall include sales or charges for cash or credit, wholesale or retail, but shall exclude:

- (i) Finance charges, service charges, time price differentials or late or delinquent charges on accounts receivable;
- (ii) Cash or credit refunds or adjustments on merchandise returned;
- (iii) Employees' discounts;
- (iv) The exchange of merchandise between stores of MERCANTILE'S affiliates (where such exchange is made solely for the convenient operation of the business of MERCANTILE and not for the purpose of filling orders taken at or from MERCANTILE BUILDING);
- (v) Merchandise returned for credit to manufacturers or jobbers;
- (vi) Discounts or trade-outs allowed to the trade, whether in cash or in merchandise;
- (vii) Merchandise given away that has been included in the amount of gross sales made;

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