gross annual sales amount to Forty Thousand \$40,000) dollars or less. For each lease year that the gross sales amount to more than Forty Thousand (\$40,000) dollars, the Tenant shall pay to the Landlord as percentage or bonus rentals eight & one-half (85%) percent of the annual gross sales in excess of Forty Thousand (\$40,000) dollars. The percentage rental on sales for a fractional part of a year over and above the minimum rental, if any, shall be computed on a prorata basic.

The Tenant shall, within thirty (30) days after the end of each lease year, submit to the Landlord a sworn statement showing the amount of sales for the preceding year, and at that time shall make payment of the exact amount of percentage or bonus rentals due under the terms hereof. The Tenant shall keep careful and accurate records of the sales made in the premises herein demised, and the Landlord shall have the right to examine the said records to verify the figures in the said annual statements. The term "gross sales "as used herein shall include all monies received from the sale of all goods, wares, merchandise and services sold in, upon or from the demised premises by the Tenant for which a charge is made, and it shall include the charges for cash or credit regardless of collection in the case of the latter, but shall exclude merchandise returned and refunds, the amount of any sales or occupational taxes or similar taxes or imposition whatsoever or howsoever imposed for such sales charges, and amounts collected from customers to pay parcel post charges.

- 3. The Landlord hereby grants the right to the Tenant to use the premises as a retail store for selling millinery, handbags, gloves, and costume jewelry. The Tenant shall not engage in any other business in the demised premises without first obtaining the written consent of the Landlord.
- 4. The Landlord hereby consents to the fastening of the Tenant's trade fixtures and equipment to the floor, walls and ceiling of the premises hereby demised, provided the Tenant uses reasonable care