

in respect of, or become a lien on, the demised premises or any part thereof or any appurtenances thereto, the rent and income received by Lessee from subtenants of the demised premises, any use or occupation of the demised premises and such franchises as may be appurtenant to the use of the demised premises (all such taxes, assessments, water and sewer rents, rates and charges, charges for public utilities, excises, levies, license and permit fees and other governmental charges and any other amounts which the Lessee is obliged to pay hereunder, except the Rent payable under § 2.1, being hereinafter called "Impositions"), provided that

(a) if, by law, any Imposition may at the option of the taxpayer be paid in instalments (whether or not interest shall accrue on the unpaid balance of such Imposition), the Lessee may exercise the option to pay the same (and any accrued interest on the unpaid balance of such Imposition) in instalments and, in such event, shall pay such instalments as may become due during the Term as the same respectively become due and before any fine, penalty, further interest or cost may be added thereto; provided, however, that the amount of instalments of any such Imposition which are to become due and payable after the expiration of the Term, shall be paid to the Lessor on or before the date of such expiration; and

(b) any Imposition (other than improvement assessments which are payable in their entirety during the Term and any Impositions which shall have been converted into instalment payments by the Lessee as referred to in the foregoing § 3.1(a)), relating to a fiscal period of the taxing authority, a part of which period is included within the Term and a part of which is included in a period of time before the commencement, or after the expiration, of the Term, shall (whether or not such Imposition shall be assessed, levied, confirmed, imposed upon or in respect of or become a lien upon the demised premises, or shall become payable, during the Term) be appropriately adjusted between the Lessor and the Lessee as of the commencement or expiration of the Term, as the case may be.

§ 3.2. *Certain Taxes, etc., Borne by Lessor.* Nothing herein contained shall require the Lessee to pay any costs or charges for depre-

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