

the Note then outstanding plus accrued interest to the date of payment and a prepayment premium computed in the manner prescribed in Section 12.4, plus any expenses of prepayment and the Mortgagee's fees and charges. The obligation of the Lessee under this Section 12.2 shall survive any termination of the Lease Term or this Agreement. At the closing of the foregoing purchase the County shall deliver to the Lessee the documents referred to in Section 11.4. Such purchase price shall be applied, together with other available moneys held by the Mortgagee, to the prepayment of the Note on the earliest possible date, whether or not such date is an interest payment date, and to the payment of any premium required by Section 12.4 on account of any payments theretofore made on the Note.

PROVIDED, that nothing herein contained is intended to create any obligation upon the Lessee as a result of interest on the Note becoming taxable by virtue of the provisions of Section 103(c)(7) of the Internal Revenue Code of 1954.

SECTION 12.3. OBLIGATION OF LESSEE FURTHER DEFINED. The parties recognize that the Note is being issued as a tax free obligation by virtue of an election made under Section 103(c)(6)(D) of the Internal Revenue Code of 1954, and that circumstances (not now contemplated or anticipated) may hereafter result in the determination by the Internal Revenue Service (which may be disputed) that interest on the Note is no longer tax free. It is the intention of the parties hereto that the Lessee, in such event,

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