

Premium. In the event the Lessee is required to purchase the Project by virtue of the provisions of Section 12.2, the redemption premium payable shall be the aggregate of the premiums computed on each Bond outstanding on the occasion as of which interest on the Bonds becomes taxable as follows: the sum of (a) a redemption premium in the amount equal to 10% of the principal amount of each such Bond and (b) an additional redemption premium determined by multiplying one-sixth ($1/6$) of the 12 months interest on each such Bond by the number of 30 day periods, or fractions thereof, between the occasion as of which interest on the Bonds becomes or is determined as provided in Section 12.2 to be) taxable and the earliest possible date of redemption or the earlier payment date of any Bond which shall have been paid (whether at maturity or by redemption) subsequent to the occasion as of which interest on the Bonds becomes (or is so determined to be) taxable and prior to the earliest possible redemption date (less any applicable redemption premium previously paid on such Bond); Provided, however, that the additional premium computed under (b) supra shall not exceed, in the case of any Bond, 10% of the principal amount thereof. On the occasion of the purchase of the Project pursuant to the requirements of Section 12.2 the purchase price paid by Lessee shall include the premium above prescribed so that each person who is the holder of any Bond on the earliest possible redemption date as well as each person who was the holder of any Bond on the occasion when the same was paid (whether at maturity or by redemption) prior to such redemption date but subsequent to the occasion as of which interest on the Bonds became (or was so determined to have become) taxable, shall receive a premium on each such Bond computed according to the provisions of this Section 12.4.

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