ARTICLE III

REDEMPTION OF BONDS BEFORE MATURITY

SECTION 301. _Redemption Dates and Prices for Bonds_. The First Series Bonds are noncallable for redemption prior to October 1, 1983, except in the event of (1) exercise by the Lessee of its options to purchase the Project as provided in Section 11.2 of the Lease Agreement, or (2) mandatory purchase of the Project by the Lessee pursuant to Section 12.2 of the Lease Agreement. If called for redemption in any of such events, the First Series Bonds shall be subject to redemption by the County at any time after notice as provided in this Indenture, whether or not such date is an interest payment date, in whole and not in part, at the principal amount thereof, plus accrued interest to the redemption date and, but only in the event of redemption as a result of the mandatory purchase of the Project pursuant to Section 12.2 of the Lease Agreement, a redemption premium (in lieu of all other redemption premiums) in an amount equal to the aggregate of the premiums computed on each First Series Bond outstanding on the date as of which interest on the First Series Bond becomes (or is determined to be as provided in Section 12.2 of the Lease Agreement) taxable, (such date being hereinafter in this Section 301 referred to as the "taxable date"), as follows: the sum of (a) 8% of the principal amount of each such Bond and (b) an additional amount determined by multiplying 1% of the principal amount of each such Bond by the number of 180 day periods, or fraction thereof, between the taxable date and the date of redemption, but in no event to exceed 12% of the principal amount of each Bond redeemed and, in case of First Series Bonds previously paid (whether at maturity or by redemption) subsequent to the taxable date and prior to the redemption date, the redemption premium prescribed by this paragraph shall be calculated from the taxable date to the date as of which such Bonds were paid, but shall be reduced by the amount of any optional redemption premium previously paid on any such Bond.