

a redemption price in an amount equal to the sum of (a) the unpaid principal amount of the Second Series Bond, (b) all accrued and unpaid interest thereon to the date of payment, and (c) a premium computed as follows: the sum of .8 times (i) the interest on the Second Series Bond outstanding during the period beginning on the date as of which interest on the Second Series Bond was required in the opinion of Counsel described in said Section 12.5 to be included in the gross income of any holder thereof at the rate specified therein, (ii) any interest on any deficiency of tax and any penalties or additions to tax, including interest thereon, attributable to the taxability of such interest which are deductible for Federal Income Tax purposes and which may be payable to the United States Government by Morgan Guaranty Trust Company of New York (the "Bank"), or any subsequent holder, in connection with the taxability of such interest, and (iii) an amount which, after deduction of all taxes required to be paid by the Bank, or any subsequent holder, in respect of the receipt of such sum under the laws of any Federal, State or local government or taxing authority in the United States, shall be equal to the amount of any penalties or additions to tax attributable to the taxability of such interest which are not deductible for Federal Income Tax purposes, all of which amounts shall be payable at such time as the interest and penalties or additions to tax attributable to the taxability of such interest are payable. All payments hereunder of principal, interest and premium, if any, shall be made in Federal or other immediately available funds.

SECTION 302. Selection of Second Series Bonds to be Redeemed. If there shall be redeemed less than all of the Second Series Bond, the County shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Second Series Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Second Series Bond so surrendered, another registered Second Series Bond. If, on the redemption date,

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