

JEFFERSON COUNTY, ALABAMA
SEWER REVENUE WARRANTS

Series Designations and CUSIP Numbers on Attached Schedule A

MATERIAL EVENT NOTICE
November 1, 2010

The following information is provided by Jefferson County, Alabama (the "County") pursuant to certain Continuing Disclosure Agreements executed and delivered by the County in connection with the issuance of certain of the warrants set forth on the attached Schedule A (the "Warrants"), in compliance with Securities and Exchange Commission Rule 15c2-12. Certain of the Warrants were issued at fixed interest rates (the "Fixed Rate Warrants" shown on Schedule A), others were issued as variable rate demand warrants (the "Variable Rate Demand Warrants" shown on Schedule A) and others were issued as auction rate warrants (the "Auction Rate Warrants" shown on Schedule A). Although the County has no Continuing Disclosure Agreement with regard to the Series 2002-A Warrants described in Schedule A (due to their exemption from the continuing disclosure obligations of SEC Rule 15c2-12), the County has nonetheless determined to include such Warrants in this Notice in order to provide a more thorough description of the events reflected herein.

The County filed material event notices dated February 20, 2008, February 27, 2008, March 4, 2008, March 11, 2008, March 31, 2008, April 1, 2008, June 2, 2008, June 9, 2008, June 30, 2008, August 1, 2008, August 13, 2008, September 10, 2008, September 22, 2008, October 6, 2008, October 9, 2008, October 24, 2008, October 28, 2008, November 10, 2008, December 8, 2008, December 19, 2008, January 5, 2009, February 24, 2009, March 9, 2009, April 6, 2009, May 4, 2009, June 5, 2009, July 6, 2009, August 24, 2009, October 26, 2009, March 3, 2010 and October 4, 2010 with regard to the Warrants (collectively, the "Prior Notices"). This material event notice describes certain events that have occurred subsequent to the filing of the Prior Notices.

The Warrants were issued and are outstanding under a Trust Indenture dated as of February 1, 1997, as amended and supplemented from time to time (the "Trust Indenture") between the County and The Bank of New York Mellon (the "Trustee").

Rating Downgrade

At the time of their issuance, the various series of Warrants were insured either by Assured Guaranty Municipal Corp. (formerly Financial Security Assurance Inc.) ("AGM"), FGIC or Syncora, as reflected on Schedule A, and were assigned ratings by Standard & Poor's Ratings Services ("S&P"), Moody's Investors Service, Inc. ("Moody's") and Fitch Ratings Ltd. ("Fitch"). The ratings on the Warrants have been previously downgraded as described in the Prior Notices.

On October 25, 2010, the long-term insured rating assigned to those Warrants insured by AGM was reduced from "AAA" to "AA+" by S&P in conjunction with the corresponding

reduction in such rating agency's financial strength and financial enhancement rating of AGM. The current reduced rating of the AGM insured Warrants is classified as "Stable" by S&P. In addition, the current "Aa3" long-term insured rating assigned to the AGM insured Warrants by Moody's is listed as "Negative Outlook". Fitch withdrew its long-term insured rating assigned to the AGM insured Warrants at the request of Assured Guaranty Ltd., AGM's parent company, on February 24, 2010.

A rating reflects only the view of the agency assigning such rating and is not a recommendation to buy, sell or hold the Warrants. Such rating may be changed at any time, and no assurance can be given that it will not be subject to further revision or withdrawn entirely by the rating agency if, in its judgment, the circumstances so warrant. Any further reduction or withdrawal of the ratings on the Warrants may have an adverse effect on the market price of the affected Warrants.

SCHEDULE A

Fixed Rate Warrants	Bond Insurer	
<i>Series 1997 A</i>		
CUSIP		
472682NV1	FGIC	
472682NW9	FGIC	
472682NX7	FGIC	
472682MC4	FGIC	
472682MD2	FGIC	
<i>Series 2001 A</i>		
CUSIP		
472682JD6	FGIC	
472682JE4	FGIC	
472682JF1	FGIC	
472682JG9	FGIC	
472682JH7	FGIC	
472682JJ3	FGIC	
472682JL8	FGIC	
472682JM6	FGIC	
472682JN4	FGIC	
<i>Series 2003 A</i>		
CUSIP		
010653QV8		
010653QW6		
010653QX4		
010653QY2		
010653QZ9		
010653RA3		
<i>Series 2003-B-8</i>		
CUSIP		
472682MM2	AGM	
472682MN0	AGM	
472682MP5	AGM	
472682MQ3	AGM	
472682MR1	AGM	
472682MS9	AGM	
Variable Rate Demand Warrants		
<i>Series 2002 A</i>		
CUSIP	Subseries	
472682PU1	2002 A	FGIC
<i>Series 2002 C</i>		
CUSIP	Subseries	
472682PV9	2002 C-2	Syncora
472682PW7	2002 C-3	Syncora
472682PX5	2002 C-4	Syncora
472682PY3	2002 C-6	Syncora
472682PZ0	2002 C-7	Syncora
<i>Series 2003 B</i>		
CUSIP	Subseries	
472682QA4	2003 B-2	Syncora
472682QB2	2003 B-3	Syncora
472682QC0	2003 B-4	Syncora
472682QD8	2003 B-5	Syncora
472682QE6	2003 B-6	Syncora
472682QF3	2003 B-7	Syncora

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Auction Rate Warrants**Bond
Insurer***Series 2002 C*

CUSIP	Subseries
472682KA0	2002 C-1-A
472682KB8	2002 C-1-B
472682KC6	2002 C-1-C
472682KD4	2002 C-1-D
472682KH5	2002 C-5

Syncora
Syncora
Syncora
Syncora
Syncora

Series 2003 B

CUSIP	Subseries
472682LH4	2003 B-1-A
472682LJ0	2003 B-1-B
472682LK7	2003 B-1-C
472682LL5	2003 B-1-D
472682LM3	2003 B-1-E

FGIC
FGIC
FGIC
FGIC
FGIC

Series 2003 C

CUSIP	Subseries
472682NA7	2003 C-1
472682NB5	2003 C-2
472682NC3	2003 C-3
472682ND1	2003 C-4
472682NE9	2003 C-5
472682NF6	2003 C-6
472682NG4	2003 C-7
472682NH2	2003 C-8
472682NJ8	2003 C-9
472682NK5	2003 C-10

FGIC
FGIC
FGIC
FGIC
FGIC
FGIC
FGIC
FGIC
AGM
AGM