

JEFFERSON COUNTY, ALABAMA
GENERAL OBLIGATION WARRANTS

Series Designations and CUSIP Numbers on Attached Schedule A

MATERIAL EVENT NOTICE
December 13, 2010

The following information is provided by Jefferson County, Alabama (the "County") with regard to its General Obligation Warrants described on Schedule A hereto (the "Warrants"). Although the County has no Continuing Disclosure Agreement with regard to its General Obligation Warrants, Series 2001-B (the "Series 2001-B Warrants") (due to their exemption from the continuing disclosure obligations of SEC Rule 15c2-12), the County has nonetheless determined to include certain information regarding the Series 2001-B Warrants in this Notice in order to provide a more thorough description of the events reflected herein. The Warrants were issued pursuant to a Trust Indenture, dated as of July 1, 2001 (the "Indenture"), between the County and The Bank of New York Mellon, as trustee (the "Trustee").

Rating Withdrawal

Certain of the Warrants are insured by Ambac Assurance Corporation ("Ambac"), as reflected on Schedule A, and were assigned insured ratings by Standard & Poor's Ratings Services ("S&P"), Moody's Investors Service, Inc. ("Moody's") and Fitch Ratings Ltd. ("Fitch").

On November 30, 2010, the rating assigned to Ambac by S&P was withdrawn. Pursuant to S&P's rating policy, the Ambac insured Warrants are rated to the higher of the SPUR or the insurer rating. The current long-term rating assigned by S&P to the Ambac insured Warrants remains "B" to match the SPUR for those Warrants. The rating for the Ambac insured Warrants is classified as "Outlook Developing" by S&P. In addition, the current "Caa1" long-term insured rating assigned to the Ambac insured Warrants by Moody's is listed as "Not on Watch". Fitch withdrew its long-term insured rating assigned to the Ambac insured Warrants on June 26, 2008. Ratings reports issued by S&P can be obtained from the S&P website at www.standardandpoors.com.

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rating may be changed at any time, and no assurance can be given that it will not be subject to further revision or withdrawn entirely by the rating agency if, in its judgment, the circumstances so warrant.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 Warrants.

SCHEDULE A

Fixed Rate Warrants

<i>Series 2001-A</i>	Maturity	Insurer
472628NR3	4/1/2011	Ambac

<i>Series 2003-A</i>	Maturity	Insurer
472628PF7	4/15/2011	National
472628PG5	4/15/2012	National
472628PH3	4/15/2017	National
472628PJ9	4/15/2018	National
472628PK6	4/15/2021	National
472628PL4	4/15/2022	National
472628PM2	4/15/2023	National

<i>Series 2004-A</i>	Maturity	Insurer
472628PQ3	4/1/2011	National
472628PR1	4/1/2012	National
472628PS9	4/1/2013	National
472628PT7	4/1/2014	National
472628PU4	4/1/2015	National
472628PV2	4/1/2016	National
472628PW0	4/2/2017	National
472628PX8	4/2/2018	National
472628PY6	4/2/2019	National
472628PZ3	4/2/2020	National
472628QA7	4/2/2021	National
472628QB5	4/2/2022	National
472628QC3	4/2/2023	National
472628QD1	4/2/2024	National

Variable Rate Demand Warrants

<i>Series 2001-B</i>	Maturity
472628NS1	4/1/2021