

JEFFERSON COUNTY, ALABAMA
GENERAL OBLIGATION WARRANTS

Series Designations and CUSIP Numbers on Attached Schedule A

MATERIAL EVENT NOTICE

November 18, 2011

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.

Rating Downgrade

Certain of the Warrants are insured by National Public Finance Guarantee Corporation (formerly MBIA Insurance Corporation) ("National"), 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. S&P and Moody's also assigned underlying ratings to each of the various series of Warrants at the time of their issuance based on the rating agencies' assessments of the County's ability to pay debt service on the Warrants. The underlying ratings do not take into account credit enhancement, such as bond insurance, that may also be available to pay debt service.

On November 11, 2011, the underlying rating assigned to the National insured Warrants by S&P was reduced from 'B' to 'C'. The current underlying rating of the National insured Warrants is classified as "CreditWatch Negative" by S&P. 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rating may be changed at any time, and no assurance can be given that it will not be subject to further revision or withdrawn entirely by the rating agency if, in its judgment, the circumstances so warrant.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.

Resignation of Trustee

The Series 2001-B Warrants were issued and are outstanding under a Trust Indenture dated as of July 1, 2001, (the "Trust Indenture") between the County and The Bank of New York Mellon, as trustee (the "Trustee"). On November 14, 2011, the Trustee provided notice of its resignation as trustee under Section 13.9(b) of the Trust Indenture. The resignation of the Trustee will become effective upon the appointment of a successor trustee and the delivery of a written acceptance by the successor trustee to the County and the Trustee.

SCHEDULE A

Fixed Rate Warrants

| <i>Series 2003-A</i> | Maturity | Insurer |
|----------------------|-----------|----------|
| 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 |
|----------------------|----------|----------|
| 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 |