

JEFFERSON COUNTY, ALABAMA  
SEWER REVENUE WARRANTS

Series Designations and CUSIP Numbers on Attached Schedule A

**MATERIAL EVENT NOTICE**  
**January 25, 2013**

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) and others were issued as auction rate warrants (the "Auction Rate Warrants" shown on Schedule A).

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, between the County and The Bank of New York Mellon.

**Rating Downgrade**

At the time of their issuance, the Warrants were insured by Assured Guaranty Municipal Corp. (formerly Financial Security Assurance Inc.) ("AGM"), 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").

On January 17, 2013, the long-term insured rating assigned to the Warrants was reduced from "Aa3" to "A2" by Moody's 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 Warrants is classified as "Stable" by Moody's. In addition, the current "AA-" long-term insured rating assigned to the Warrants by S&P is listed as "Stable". Fitch withdrew its long-term insured rating assigned to the 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rating may be changed at any time, and no assurance can be given that it will not be subject to further revision or withdrawn entirely by the rating agency if, in its judgment, the circumstances so warrant.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**

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*Series 2003-B-8*

<u>CUSIP</u>	
472682MP5	AGM
472682MQ3	AGM
472682MR1	AGM
472682MS9	AGM

**Bond  
Insurer**

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**Auction Rate Warrants**

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*Series 2003 C*

<u>CUSIP</u>	<u>Subseries</u>	
472682NJ8	2003 C-9	AGM
472682NK5	2003 C-10	AGM