

JEFFERSON COUNTY, ALABAMA
LIMITED OBLIGATION SCHOOL WARRANTS

Series Designations and CUSIP Numbers on Attached Schedule A

MATERIAL EVENT NOTICE
July 20, 2009

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 the warrants set forth on the attached Schedule A (collectively, the "Warrants"), in compliance with Securities and Exchange Commission Rule 15c2-12.

Rating Downgrade

The Warrants are insured by Ambac Assurance Corporation ("Ambac") 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 June 24, 2009, the long-term insured rating assigned to the Warrants by S&P was reduced from "A" to "BBB" in conjunction with the corresponding reduction in such rating agency's financial strength and financial enhancement rating of Ambac. The current long-term insured rating assigned to the Warrants by S&P is listed as "CreditWatch Negative". In addition, the current "Ba3" long-term insured rating assigned to the Warrants by Moody's is listed as "Outlook Developing". Fitch withdrew its long-term insured rating assigned to the Warrants on June 26, 2008.

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rating may be changed at any time, and no assurance can be given that it will not be subject to further revision or withdrawn entirely by the rating agency if, in its judgment, the circumstances so warrant.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

Limited Obligation School Warrants

Series 2005-A

<u>Maturity</u>	<u>CUSIP</u>	<u>Subseries</u>	<u>Insurer</u>
1/1/2027	472653BAT	2005-A-1	Ambac
1/1/2027	472653BB9	2005-A-2	Ambac
1/1/2027	472653BC7	2005-A-3	Ambac
1/1/2027	472653BD5	2005-A-4	Ambac

Series 2005-B

<u>Maturity</u>	<u>CUSIP</u>	<u>Insurer</u>
1/1/2027	472653BE3	Ambac