

May 10, 2012

RE: United States Bankruptcy Court Notice
Jefferson County, Alabama

Creditors of Jefferson County, Alabama recently received an informational packet which included Proof Of Claim Forms from the United States Bankruptcy Court.

Page five references “Entities Not Required To File Proofs of Claim”, and section “d” indicates that bond/warrant holders need not file a claim if the Indenture Trustee(s) will be doing so. We have been advised that the Trustee(s) will be filing Proof Of Claim on behalf of bond/warrant holders.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

<p>In re:</p> <p>JEFFERSON COUNTY, ALABAMA,</p> <p>a political subdivision of the State of</p> <p>Alabama,</p> <p>Debtor.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Case No. 11-5736-TBB-9</p> <p>Chapter 9</p>
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**NOTICE OF (A) ENTRY OF ORDER FOR RELIEF AND (B) DEADLINES
FOR FILING PROOFS OF CLAIM AND REQUESTS FOR ALLOWANCE OF
SECTION 503(b)(9) ADMINISTRATIVE EXPENSE CLAIMS**

TO ALL CREDITORS OF THE COUNTY AND OTHER PARTIES IN INTEREST,
PLEASE TAKE NOTICE OF THE FOLLOWING:

On November 9, 2011 (the "Filing Date"), Jefferson County, Alabama, the debtor in the above-referenced case (the "County"), filed a voluntary petition for relief under Chapter 9 of Title 11, United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the "Court"), commencing bankruptcy case number 11-5736-TBB-9 (the "Chapter 9 Case"). On March 4, 2012, the Court entered its Order on Eligibility of Jefferson County, Alabama, as a Debtor under 11 U.S.C. § 109(c)(1)-(5) [Docket No. 778] (the "Order for Relief"), which order constituted the order for relief in the County's Chapter 9 Case.

On April 6, 2012, the Court entered an order (the "Bar Date Order") establishing **Monday, June 4, 2012, at 5:00 p.m.** prevailing Central Time as the deadline for creditors to file proofs of claim against the County (the "General Bar Date"). The General Bar Date applies to all Claims (as hereinafter defined) that arose prior to the Filing Date, except those of Governmental Units (as hereinafter defined) and Excluded Claims (as hereinafter defined). All Entities, other than Governmental Units, that have or assert Claims that arose prior to the Filing Date and that are not Excluded Claims must file completed and executed proofs of claim conforming substantially to Official Bankruptcy Form No. 10 (the "Official Proof of Claim Form") with the Claims Agent (as hereinafter defined), at the physical or electronic mail address set forth below, so that their proofs of claim are actually received by the Claims Agent no later than 5:00 p.m. prevailing Central Time on the General Bar Date. If you are receiving this notice (the "Bar Date Notice") by mail, you will find enclosed a proof of claim form that conforms substantially to the Official Proof of Claim Form and instructions for completing the form. You may also access a copy of the Official Proof of Claim Form at <http://www.uscourts.gov/bkforms/> or at www.jeffersoncountyrestructuring.com.

The Bar Date Order also establishes **Monday, June 4, 2012, at 5:00 p.m.** prevailing Central Time as the deadline for Entities asserting Section 503(b)(9) Claims (as hereinafter defined) against the County to file requests for allowance of their Section 503(b)(9) Claims (the "Section 503(b)(9) Bar Date"). The Section 503(b)(9) Bar Date applies to all Section 503(b)(9) Claims. All Entities that have or assert Section 503(b)(9) Claims must file completed and executed requests for allowance of their Section 503(b)(9) Claims conforming substantially to the Court-approved 11 U.S.C. § 503(b)(9) Request Form (the "Section 503(b)(9) Request Form") with the Claims Agent so that their requests are actually received by the Claims Agent no later than 5:00 p.m. prevailing Central Time on the Section 503(b)(9) Bar Date. If you are receiving

this Bar Date Notice by mail, a copy of the Section 503(b)(9) Request Form is enclosed. Additional copies of the Section 503(b)(9) Request Form may be obtained by contacting the Claims Agent or at www.jeffersoncountyrestructuring.com. Only Entities asserting a Section 503(b)(9) Claim should complete and file a Section 503(b)(9) Request Form.

In addition to the General Bar Date and the Section 503(b)(9) Bar Date, the Bar Date Order establishes certain other Bar Dates (each as hereinafter defined), specifically a Governmental Unit Bar Date, a Rejection Bar Date, an Avoidance Claims Bar Date, and an Amended List of Creditors Bar Date. These Bar Dates are more fully described below.

KEY DEFINITIONS

As used in this Bar Date Notice, the term "Claim" shall mean, in accordance with Section 101(5) of the Bankruptcy Code: (a) any right to payment from the County whether or not such right is reduced to judgment, liquidated, unliquidated, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance if such performance gives rise to a right of payment from the County, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

As used in this Bar Date Notice, the term "Claims Agent" means Kurtzman Carson Consultants LLC, the Court-appointed claims, servicing, and balloting agent in the County's Chapter 9 Case.

As used in this Bar Date Notice, the term "Entity" has the meaning given to it in Section 101(15) of the Bankruptcy Code, and includes all persons (individuals, partnerships or corporations), estates, trusts, and Governmental Units.

As used in this Bar Date Notice, the term "Governmental Unit" has the meaning given to it in Section 101(27) of the Bankruptcy Code, and includes the United States, states, commonwealths, districts, territories, municipalities, foreign states, or departments, agencies or instrumentalities of the foregoing.

As used in this Bar Date Notice, the term "Section 503(b)(9) Claim" shall mean an administrative expense claim allowable under Section 503(b)(9) of the Bankruptcy Code for the value of any goods sold to the County in the ordinary course of the County's business and received by the County within 20 days before the Filing Date.

As used in this Bar Date Notice, the term "List of Creditors" shall mean the list of creditors filed by the County in the Chapter 9 Case on December 12, 2011 pursuant to Section 924 of the Bankruptcy Code, as such list has been and may be amended from time to time.

As used in this Bar Date Notice, the terms "Bar Dates," "Governmental Unit Bar Date," "Rejection Damages Claim," "Rejection Order," "Rejection Bar Date," "Avoidance Claims Bar Date," "Amended List of Creditors Bar Date," and "Excluded Claims" have the meanings set forth below.

ORDER FOR RELIEF

Pursuant to 11 U.S.C. § 923 and Rule 2002 of the Federal Rules of Bankruptcy Procedure, the County hereby gives notice of the Court's entry on March 4, 2012, of the Order for Relief in the Chapter 9 Case.

WHO MUST FILE A PROOF OF CLAIM OR REQUEST FOR ALLOWANCE OF SECTION 503(b)(9) CLAIM AND THE APPLICABLE BAR DATES

The Bar Date Order establishes the following bar dates for filing proofs of claims and requests for allowance of Section 503(b)(9) Claims in the County's Chapter 9 case (collectively, the "Bar Dates"):

- (a) **The General Bar Date.** The Bar Date Order establishes **Monday, June 4, 2012, at 5:00 p.m.** prevailing Central Time as the General Bar Date, i.e., the deadline for creditors to file proofs of claim against the County. The General Bar Date applies to all Claims that arose prior to the Filing Date, except those of Governmental Units and except Excluded Claims. All Entities, other than Governmental Units, that have or assert Claims that arose prior to the Filing Date and that are not Excluded Claims must file completed and executed proofs of claim conforming substantially to the Official Proof of Claim Form with the Claims Agent at the address set forth below, so that their proofs of claim are received by the Claims Agent no later than 5:00 p.m. prevailing Central Time on the General Bar Date.
- (b) **The Governmental Unit Bar Date.** In accordance with Section 502(b)(9) of the Bankruptcy Code, all Governmental Units that have or assert Claims against the County that arose prior to the Filing Date (whether secured, priority, or unsecured), and that are not Excluded Claims, are required to file proofs of claim with the Claims Agent at the address set forth below so that their proofs of claim are received by the Claims Agent no later than **Friday, August 31, 2012, at 5:00 p.m.** prevailing Central Time (the "Governmental Unit Bar Date"). The Governmental Unit Bar Date applies to all Claims of Governmental Units which arose prior to the Filing Date, including, without limitation, Claims against the County for unpaid taxes, whether such Claims arise from prepetition tax years or periods or prepetition transactions to which the County was a party.
- (c) **The Rejection Bar Date.** The County anticipates that certain Entities may assert claims in connection with the County's rejection of executory contracts and unexpired leases pursuant to Section 365 of the Bankruptcy Code. Any Entity that has or asserts a Claim against the County arising from the rejection of an executory contract or unexpired lease (a "Rejection Damages Claim") approved by an order of the Court entered prior to confirmation of a Chapter 9 plan of adjustment of debts in the County's Chapter 9 Case (a "Rejection Order") must file a proof of claim for the Rejection Damages Claim with the Claims Agent at the address set forth below so that the Entity's proof of claim is received by the Claims Agent on or before the later of: (i) the first business day that is 30 calendar days after the later of either (A) the date on which the Rejection Order is entered by the Court or (B) the effective date of the Rejection Order and (ii) either (A) the General Bar Date or (B) if such Entity is a Governmental Unit, the Governmental Unit Bar Date. The later of these dates is referred to in this Notice as the "Rejection Bar Date."
- (d) **The Avoidance Claims Bar Date.** Any entity asserting claims arising from the avoidance of a transfer under Chapter 5 of the Bankruptcy Code must file a proof of that claim as the later of the following two dates: (a) the General Bar Date; or (b) the first business day that is 30 calendar days after entry of the order authorizing avoidance of the transfer. The later of these dates is referred to in this Notice as the "Avoidance Claims Bar Date."

- (e) **The Amended List of Creditors Bar Date.** If, subsequent to the mailing and publication of this Notice, the County amends its List of Creditors pursuant to Section 924 of the Bankruptcy Code to reduce the undisputed, non-contingent and liquidated amount or to change the nature or classification of a Claim against the County reflected therein, then the affected claimant shall have until the later of (i) either (a) the General Bar Date, or (b) if such claimant is a governmental unit, the Governmental Unit Bar Date, or (ii) thirty (30) days after the date that said claimant is served with notice of the amendment to the List of Creditors altering the amount, nature or classification of such claimant's Claim, to file a proof of claim or to amend any previously filed proof of claim in respect of such listed Claim.
- (f) **The Section 503(b)(9) Bar Date.** The Bar Date Order establishes **Monday, June 4, 2012, at 5:00 p.m.** prevailing Central Time as the Section 503(b)(9) Bar Date, i.e., the deadline for Entities asserting Section 503(b)(9) Claims against the County to file requests for allowance of any Section 503(b)(9) Claims. The Section 503(b)(9) Bar Date applies to all Section 503(b)(9) Claims. All Entities that have or assert Section 503(b)(9) Claims must file completed and executed requests for allowance of their Section 503(b)(9) Claims conforming substantially to the Section 503(b)(9) Request Form with the Claims Agent so that their requests are received by the Claims Agent no later than 5:00 p.m. prevailing Central Time on the Section 503(b)(9) Bar Date. Only Entities asserting a Section 503(b)(9) Claim should complete and file a Section 503(b)(9) Request Form.

Entities That Must File Proofs of Claims by the General Bar Date or the Governmental Unit Bar Date

Subject to the terms described above for holders of Claims subject to the Rejection Bar Date, the Avoidance Claims Bar Date, or the Amended List of Creditors Bar Date, and except as set forth below with respect to holders of Excluded Claims, the following Entities must file proofs of claim on or before the General Bar Date or, with respect to the Claims of Governmental Units, on or before the Governmental Unit Bar Date:

- (a) any person or entity whose Claim is listed as "disputed," "contingent," or "unliquidated" in the List of Creditors and that desires to participate in the County's Chapter 9 case or share in any distribution in this case;
- (b) any person or entity whose Claim is improperly classified in the List of Creditors or is listed in an incorrect amount and that desires to have its Claim allowed in a classification or amount other than set forth in the List of Creditors; and
- (c) any person or entity whose Claim against the County is not listed in the List of Creditors.

Entities Not Required to File Proofs of Claim by the General Bar Date or the Governmental Unit Bar Date

Subject to the foregoing, Entities holding or wishing to assert Claims against the County of the types set forth in clauses (a) through (f) below (collectively, the "Excluded Claims") **ARE NOT REQUIRED** to file proofs of claim by the General Bar Date or the Governmental Unit Bar Date:

- (a) Claims previously allowed or paid pursuant to an order of the Court or by the County in accordance with 11 U.S.C. § 904, including Claims paid after the Filing Date to employees, to trade vendors that have continued to provide goods and services to the County in the ordinary course of business, and to other service providers;
- (b) Claims on account of which a proof of claim has already been properly filed with the Clerk of the Court or the Claims Agent utilizing a claim form which substantially conforms to the Official Proof of Claim Form Number 10;
- (c) Claims listed in the List of Creditors or any amendments thereto that are not therein listed as "contingent," "unliquidated" or "disputed" and that are not disputed by the holders thereof as to (a) amount or (b) classification;
- (d) Claims of any person or entity whose Claim is limited exclusively to the repayment of principal, interest and other fees and expenses on or under any agreements (a "Debt Claim") governing any debt security, including warrants, issued by the County pursuant to an indenture or other trust instrument or agreement (together, the "Debt Instruments") if the indenture trustee or similar fiduciary under the applicable indenture or fiscal and paying agency agreement files a proof of claim against the County, on or before the General Bar Date, on account of all Debt Claims against the County under the applicable Debt Instruments; *provided, however*, that any holder of a Debt Claim wishing to assert a Claim arising out of or relating to a Debt Instrument, other than a Debt Claim, shall be required to file a proof of claim with respect to such Claim on or before the General Bar Date, unless another exception identified herein applies;
- (e) Claims allowable under 11 U.S.C. §§ 503(b) and 507(a)(2) as expenses of administration; *provided, however*, that, as more particularly described hereafter, an entity which holds or asserts a Section 503(b)(9) Claim must file a request for allowance of its Section 503(b)(9) Claim with the Claims Agent so as to be received by the Claims Agent no later than 5:00 p.m. Central time on the Section 503(b)(9) Bar Date (as defined hereafter); and

- (f) Claims held by any current employee of the County for unpaid wages, salaries, commissions, severance, earned vacation, sick leave pay, contributions to employee benefits plans, or other benefits.

Entities Required to File Requests for Allowance of Section 503(b)(9) Claims

All Entities holding or wishing to assert Section 503(b)(9) Claims must file by the Section 503(b)(9) Bar Date a request for allowance of their Section 503(b)(9) Claims substantially in conformance with the Section 503(b)(9) Request Form.

CONSEQUENCES OF FAILURE TO FILE PROOFS OF CLAIM AND REQUESTS FOR ALLOWANCE OF SECTION 503(b)(9) CLAIMS

Any Entity that is required to file a proof of claim or request for allowance of a Section 503(b)(9) Claim with respect to a particular Claim or Section 503(b)(9) Claim against the County, but fails to do so by the applicable Bar Date described in this Notice, shall be forever barred, estopped and enjoined from the following:

- (a) Asserting such Claim against the County, including any Section 503(b)(9) Claim, (or filing a proof of claim with respect thereto), and the County, its successors, and its property shall be forever discharged from any and all indebtedness or liability with respect to such Claim;
- (b) Voting to accept or reject any Chapter 9 plan filed in this case;
- (c) Participating in any distribution in this case on account of such Claim; and
- (d) Receiving further notices with respect to the County's Chapter 9 Case.

RESERVATION OF RIGHTS

The County reserves the right to (a) dispute or object to, or assert counterclaims, offsets, recoupments, or defenses against, any filed Claim or any Claim listed or reflected in the List of Creditors on any grounds, including with respect to such Claim's nature, amount, liability, classification, or otherwise; or (b) subsequently designate any Claim as disputed, contingent or unliquidated; provided, however, that if the County amends its List of Creditors to reduce the undisputed, non-contingent and liquidated amount or to change the nature or classification of a Claim against the County reflected therein, then the affected claimant shall have until the later of (i) either (a) the General Bar Date, or (b) if such claimant is a governmental unit, the Governmental Unit Bar Date, or (ii) thirty (30) days after the date that said claimant is served with notice of the amendment to the List of Creditors altering the amount, nature or classification of such claimant's Claim, to file a proof of claim or to amend any previously filed proof of claim in respect of such listed Claim. Notwithstanding the foregoing, nothing set forth herein precludes the County from objecting to any Claim, whether listed on the List of Creditors or filed as a proof of claim, on any grounds.

The County reserves the right to dispute or object to, or assert counterclaims, offsets, recoupments, or defenses against, any Section 503(b)(9) Claim on any grounds.

**PROCEDURE FOR FILING PROOFS OF CLAIM AND
SECTION 503(b)(9) REQUEST FORMS**

A signed original of an Entity's completed proof of claim or request for allowance of Section 503(b)(9) Claim, together with any accompanying documentation, must be delivered to the Claims Agent at one of the following addresses:

IF FILED BY MAIL, HAND DELIVERY OR OVERNIGHT COURIER:

Jefferson County Claims Processing
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, CA 90245

IF FILED BY ELECTRONIC MAIL:

JeffersonCountyClaims@kccllc.com

so as to be received by no later than 5:00 p.m. prevailing Central Time on the applicable Bar Date. Proofs of claim and requests for allowance of Section 503(b)(9) Claims may be submitted by electronic mail, overnight courier, hand delivery or mail addressed to the Claims Agent at the applicable foregoing address. **Any proof of claim or request for allowance of Section 503(b)(9) Claim will NOT be deemed filed until the proof of claim or request for allowance of Section 503(b)(9) Claim is submitted by one of the methods described in the foregoing sentence.**

A proof of claim or request for allowance of Section 503(b)(9) Claim filed by mail, hand delivery or overnight courier shall be deemed filed when a signed original of the applicable form is actually received by the Claims Agent. If you wish to receive acknowledgement of the Claims Agent's receipt of your filing by mail, hand delivery or overnight courier, then you must also submit to the Claims Agent by the applicable Bar Date and concurrently with submitting your original form (a) a copy of the completed original form and (b) a self-addressed, stamped return envelope.

A proof of claim or request for allowance of Section 503(b)(9) Claim filed by electronic mail shall be deemed filed when the filer receives confirmation that such filing has been sent successfully to JeffersonCountyClaims@kccllc.com. Acknowledgement of the Claims Agent's receipt of your filing will be sent by electronic mail. Consistent with the Court's Administrative Procedures for Filing, Signing, Retaining and Verification of Pleadings and Papers in the Case Management/Electronic Case Filing (CM/ECF) System, parties filing proofs of claim or requests for allowance of Section 503(b)(9) Claims by electronic means must retain originally executed copies of such claims until three (3) years after the closing of the County's Chapter 9 Case.

All proofs of claim must: (i) be written in the English language; (ii) be denominated in lawful currency of the United States as of the Filing Date; (iii) set forth with specificity the legal and factual basis for the alleged Claim; (iv) include supporting documentation or an explanation as to why such documentation is not available; and (v) be signed by the claimant or, if the claimant is not an individual, by an authorized agent of the claimant.

Requests for allowance of Section 503(b)(9) Claims must include copies of any and all supporting documents, such as purchase orders/invoices, itemized statements of running

accounts, contracts, and documents evidencing delivery/receipt of goods or an explanation as to why such documentation is not available.

All proofs of claim and requests for allowance of Section 503(b)(9) Claims must also include all documentation and information required by applicable Alabama law regarding the assertion of such claims against the County. All such claims shall be audited by the County Commission as and to the extent required by applicable state law.

ADDITIONAL INFORMATION

If you require additional information regarding the filing of a proof of claim or request for allowance of a Section 503(b)(9) Claim, you may contact James Bailey, one of the County's attorneys, at 205-521-8913. The claims register for the County will be available online at www.jeffersoncountyrestructuring.com.

ATTORNEYS FOR JEFFERSON COUNTY, ALABAMA

By: /s/ Patrick Darby

BRADLEY ARANT BOULT CUMMINGS LLP

Counsel for Jefferson County, Alabama

Patrick Darby

Jay Bender

One Federal Place

1819 Fifth Avenue North

Birmingham, AL 35203-2104

Telephone: (205) 521-8000

Facsimile: (205) 521-8500

pdarby@babbc.com

jbender@babbc.com

and

By: /s/ Kenneth N. Klee

KLEE, TUCHIN, BOGDANOFF & STERN LLP

Counsel for Jefferson County, Alabama

Kenneth N. Klee (*pro hac vice*)

Lee R. Bogdanoff (*pro hac vice*)

David M. Stern (*pro hac vice*)

Robert J. Pfister (*pro hac vice*)

1999 Avenue of the Stars, Thirty-Ninth Floor

Los Angeles, CA 90067-5061

Telephone: (310) 407-4000

Facsimile: (310) 407-9090

kklee@ktbslaw.com

lbogdanoff@ktbslaw.com

dstern@ktbslaw.com

rpfister@ktbslaw.com

UNITED STATES BANKRUPTCY COURT NORTHERN DISTRICT OF ALABAMA		PROOF OF CLAIM
Name of Debtor: JEFFERSON COUNTY, ALABAMA		Case Number: 11-05736 (TBB)
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property):		<input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where notices should be sent:		
Telephone number: _____	email: _____	<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
Name and address where payment should be sent (if different from above):		
Telephone number: _____	email: _____	5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before the case was filed or the debtor's business ceased, whichever is earlier - 11 U.S.C. §507 (a)(4). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5). <input type="checkbox"/> Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507 (a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. §507 (a)(). Amount entitled to priority: \$ _____ * Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.
1. Amount of Claim as of Date Case Filed: \$ _____ If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: _____ (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: _____	3a. Debtor may have scheduled account as: _____ (See instruction #3a)	3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate _____ % <input type="checkbox"/> Fixed <input type="checkbox"/> Variable (when case was filed) Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		
6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		
7. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		
8. Signature: (See instruction #8) Check the appropriate box. <input type="checkbox"/> I am the creditor. <input type="checkbox"/> I am the creditor's authorized agent. <input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. <input type="checkbox"/> I am a guarantor, surety, indorser, or other codebtor. (Attach copy of power of attorney, if any.) (See Bankruptcy Rule 3004.) (See Bankruptcy Rule 3005.)		
I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief. Print Name: _____ Title: _____ Company: _____ (Signature) _____ (Date) Address and telephone number (if different from notice address above): _____ Telephone number: _____ Email: _____		
		COURT USE ONLY

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:
Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:
Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:
State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:
State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:
State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:
Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:
If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:
Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a):
If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:
An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:
Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:
The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor
A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor
A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim
A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim
A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. §506(a)
A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim
An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)
Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted
A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection
Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim
To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may view a list of filed claims in this case by visiting the Claims and Noticing Agent's website at <http://www.kccllc.net/jeffersoncounty>

Offers to Purchase a Claim
Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

PLEASE SEND COMPLETED PROOF(S) OF CLAIM TO:
Jefferson County Claims Processing
c/o Kurtzman Carson Consultants LLC
2335 Alaska Avenue
El Segundo, CA 90245

OR EMAIL TO:
JeffersonCountyClaims@kccllc.com

UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA In re Jefferson County, Alabama, Case Number 11-5736-TBB-9		11 U.S.C. § 503(b)(9) REQUEST FORM
<p>NOTE: This form is to be used ONLY to make a claim for payment of an administrative expense pursuant to 11 U.S.C. § 503(b)(9) (a "Section 503(b)(9) Claim") in accordance with the accompanying notice (the "Notice"). Section 503(b)(9) Claims are claims for the value of goods sold by a party to Jefferson County, Alabama (the "County") in the ordinary course of the County's business and received by the County within 20 days before November 9, 2011. If your claim against the County is not a Section 503(b)(9) Claim, or you have other claims against the County in addition to your Section 503(b)(9) Claim, then you may be required to file a separate proof of claim against the County. The Notice will instruct you whether you must file a proof of claim against the County, where to file the proof of claim and the deadlines for filing proofs of claim. Do NOT use this form if your claim is not a Section 503(b)(9) Claim. If you wish to assert a Section 503(b)(9) Claim against the County, complete this form and return it in accordance with the below instructions. PLEASE NOTE that filing a request for allowance of a Section 503(b)(9) Claim does not ensure that your Section 503(b)(9) Claim will be allowed or paid.</p> <p>INSTRUCTIONS: To assert a Section 503(b)(9) Claim against the County, complete this form and send the completed form by overnight courier, hand delivery or mail to Kurtzman Carson Consultants LLC, the Claims Agent in the County's Chapter 9 Case (the "Claims Agent"), at the applicable address below so as to be received by no later than 5:00 p.m. prevailing Central Time on Monday, June 4, 2012. Request forms submitted by facsimile or e-mail will NOT be accepted.</p> <p>By Mail, Hand Delivery, or Overnight Delivery: Jefferson County Claims Processing c/o Kurtzman Carson Consultants LLC 2335 Alaska Avenue El Segundo, CA 90245</p>		
Name of creditor (the person or other entity to whom the County owes money or property):		
Any applicable business account names or numbers used by creditor and/or County:		
Name and address where notices related to this § 503(b)(9) Request should be sent:		
Telephone number:	<input type="checkbox"/> Check box if you have never received any notices from the Bankruptcy Court in this case <input type="checkbox"/> Check box if your address differs from the address on the envelope sent to you by the County.	
1. Description of Basis of § 503(b)(9) Claim (including description of goods, date(s) of delivery/receipt by County):		
2. Total Amount of asserted § 503(b)(9) Claim (attach itemization and supporting documents): \$		
3. Credits: The amount of all payments, if any, on this claim has been credited and deducted for the purpose of making this § 503(b)(9) Request.		
4. Other Supporting Documents: Attach copies of any and all supporting documents, such as purchase orders/invoices, itemized statements of running accounts, contracts, and documents evidencing delivery/receipt of goods. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, please explain. If the documents are voluminous, please attach a summary.		
5. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and a copy of this Request.		
Date	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim:	
<i>Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.</i>		

Stock Classes

CUSIP: 472682

Class	Description
JF1	JEFFERSON CNTY ALA SWR REV
JG9	JEFFERSON CNTY ALA SWR REV
JH7	JEFFERSON CNTY ALA SWR REV
JJ3	JEFFERSON CNTY ALA SWR REV
JL8	JEFFERSON CNTY ALA SWR REV
JM6	JEFFERSON CNTY ALA SWR REV
JN4	JEFFERSON CNTY ALA SWR REV
KA0	JEFFERSON CNTY ALA SWR REV
KB8	JEFFERSON CNTY ALA SWR REV
KC6	JEFFERSON CNTY ALA SWR REV
KD4	JEFFERSON CNTY ALA SWR REV
KH5	JEFFERSON CNTY ALA SWR REV
LH4	JEFFERSON CNTY ALA SWR REV
LJ0	JEFFERSON CNTY ALA SWR REV
LK7	JEFFERSON CNTY ALA SWR REV
LL5	JEFFERSON CNTY ALA SWR REV
LM3	JEFFERSON CNTY ALA SWR REV
MC4	JEFFERSON CNTY ALA SWR REV
MD2	JEFFERSON CNTY ALA SWR REV
MP5	JEFFERSON CNTY ALA SWR REV
MQ3	JEFFERSON CNTY ALA SWR REV
MR1	JEFFERSON CNTY ALA SWR REV
MS9	JEFFERSON CNTY ALA SWR REV
NA7	JEFFERSON CNTY ALA SWR REV
NB5	JEFFERSON CNTY ALA SWR REV
NC3	JEFFERSON CNTY ALA SWR REV
ND1	JEFFERSON CNTY ALA SWR REV
NE9	JEFFERSON CNTY ALA SWR REV

NF6	JEFFERSON CNTY ALA SWR REV
NG4	JEFFERSON CNTY ALA SWR REV
NH2	JEFFERSON CNTY ALA SWR REV
NJ8	JEFFERSON CNTY ALA SWR REV
NK5	JEFFERSON CNTY ALA SWR REV
NV1	JEFFERSON CNTY ALA SWR REV
NW9	JEFFERSON CNTY ALA SWR REV
NX7	JEFFERSON CNTY ALA SWR REV
PU1	JEFFERSON CNTY ALA SWR REV
PV9	JEFFERSON CNTY ALA SWR REV
PW7	JEFFERSON CNTY ALA SWR REV
PX5	JEFFERSON CNTY ALA SWR REV
PY7	JEFFERSON CNTY ALA SWR REV
PZ0	JEFFERSON CNTY ALA SWR REV
QA4	JEFFERSON CNTY ALA SWR REV
QB2	JEFFERSON CNTY ALA SWR REV
QC0	JEFFERSON CNTY ALA SWR REV
QD8	JEFFERSON CNTY ALA SWR REV
QE6	JEFFERSON CNTY ALA SWR REV
QF3	JEFFERSON CNTY ALA SWR REV
QX4	JEFFERSON CNTY ALA SWR REV
QY2	JEFFERSON CNTY ALA SWR REV
QZ9	JEFFERSON CNTY ALA SWR REV
RA3	JEFFERSON CNTY ALA SWR REV

Stock Classes

CUSIP: 472628

Class	Description
NS1	JEFFERSON COUNTY
PH3	JEFFERSON COUNTY
PJ9	JEFFERSON COUNTY

PK6	JEFFERSON COUNTY
PL4	JEFFERSON COUNTY
PM2	JEFFERSON COUNTY
PS9	JEFFERSON COUNTY
PT7	JEFFERSON COUNTY
PU4	JEFFERSON COUNTY
PV2	JEFFERSON COUNTY
PW0	JEFFERSON COUNTY
PX8	JEFFERSON COUNTY
PY6	JEFFERSON COUNTY
PZ3	JEFFERSON COUNTY
QA7	JEFFERSON COUNTY
QB5	JEFFERSON COUNTY
QC3	JEFFERSON COUNTY
QD1	JEFFERSON COUNTY

Stock Classes

CUSIP: 472653

Class	Description
AG9	JEFFERSON CNTY
AH7	JEFFERSON CNTY
AJ3	JEFFERSON CNTY
AK0	JEFFERSON CNTY
AL8	JEFFERSON CNTY
AM6	JEFFERSON CNTY
AN4	JEFFERSON CNTY
AP9	JEFFERSON CNTY
AQ7	JEFFERSON CNTY
AR5	JEFFERSON CNTY
AS3	JEFFERSON CNTY
AT1	JEFFERSON CNTY

AU8	JEFFERSON CNTY
BA1	JEFFERSON CNTY
BB9	JEFFERSON CNTY
BC7	JEFFERSON CNTY
BD5	JEFFERSON CNTY
BE3	JEFFERSON CNTY
BF0	JEFFERSON CNTY
BG8	JEFFERSON CNTY
BH6	JEFFERSON CNTY
BL7	JEFFERSON CNTY
BM5	JEFFERSON CNTY
BN3	JEFFERSON CNTY
BP8	JEFFERSON CNTY
BR4	JEFFERSON CNTY
BS2	JEFFERSON CNTY

Stock Classes

CUSIP: 47267P

Class	Description
AF0	JEFFERSON CNTY ALA PUB BLDG
AG8	JEFFERSON CNTY ALA PUB BLDG
AH6	JEFFERSON CNTY ALA PUB BLDG
AJ2	JEFFERSON CNTY ALA PUB BLDG
AK9	JEFFERSON CNTY ALA PUB BLDG
AL7	JEFFERSON CNTY ALA PUB BLDG
AM5	JEFFERSON CNTY ALA PUB BLDG
AN3	JEFFERSON CNTY ALA PUB BLDG
AP8	JEFFERSON CNTY ALA PUB BLDG
AQ6	JEFFERSON CNTY ALA PUB BLDG

Stock Classes

CUSIP: 010653

Class	Description
QX4	ALABAMA WTR POLTN CTL AUTH
QY2	ALABAMA WTR POLTN CTL AUTH
QZ9	ALABAMA WTR POLTN CTL AUTH
RA3	ALABAMA WTR POLTN CTL AUTH

JEFFERSON COUNTY, ALABAMA

Series Designations and CUSIP Numbers on Attached Schedule A

NOTICE March 9, 2012

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 obligations set forth on the attached Schedule A (the "Obligations"), in compliance with Securities and Exchange Commission Rule 15c2-12. Although the County has no Continuing Disclosure Agreement with regard to certain of the Obligations 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 Obligations in this Material Event Notice.

The County has retained Kurtzman Carson Consultants LLC ("KCC") as Claims Noticing and Balloting Agent during the pendency of the County's Chapter 9 case in the United States Bankruptcy Court for the Northern District of Alabama, Southern Division [*In re: Jefferson County, Alabama*, Case No. 11-05736-9]. In its role as Claims Noticing and Balloting Agent, KCC has established and maintains a website on which it posts significant information relative to the County's Chapter 9 proceeding. The KCC website may be accessed at the following link: www.jeffersoncountyrestructuring.com.

The County makes no representation about the accuracy or completeness of the information included on the website maintained by KCC.

Schedule A

Jefferson County, Alabama Sewer Revenue Warrants

Fixed Rate Warrants

Series 1997 A

CUSIP

472682NV1 —
472682NW9
472682NX7
472682MC4
472682MD2

Series 2001 A

CUSIP

472682JF1
472682JG9
472682JH7
472682JJ3
472682JL8
472682JM6
472682JN4

Series 2003-B-8

CUSIP

472682MP5
472682MQ3
472682MR1
472682MS9

[Continued on following page]

**Jefferson County, Alabama
Sewer Revenue Warrants**

Variable Rate Demand Warrants

Series 2002 A

CUSIP	Subseries
472682PU1	2002 A

Series 2002 C

CUSIP	Subseries
472682PV9	2002 C-2
472682PW7	2002 C-3
472682PX5	2002 C-4
472682PY3	2002 C-6
472682PZ0	2002 C-7

Series 2003 B

CUSIP	Subseries
472682QA4	2003 B-2
472682QB2	2003 B-3
472682QC0	2003 B-4
472682QD8	2003 B-5
472682QE6	2003 B-6
472682QF3	2003 B-7

Auction Rate Warrants

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

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

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

**Jefferson County, Alabama
General Obligation Warrants**

Fixed Rate Warrants

Series 2003-A

CUSIP
472628PG5
472628PH3
472628PJ9
472628PK6
472628PL4
472628PM2

Series 2004-A

CUSIP
472628PR1
472628PS9
472628PT7
472628PU4
472628PV2
472628PW0
472628PX8
472628PY6
472628PZ3
472628QA7
472628QB5
472628QC3
472628QD1

Variable Rate Demand Warrants

Series 2001-B

CUSIP
472628NS1

[Continued on following page]

**Jefferson County, Alabama
Limited Obligation School Warrants**

Fixed Rate

Series 2004-A

CUSIP
472653AG9
472653AH7
472653AJ3
472653AK0
472653AL8
472653AM6
472653AN4
472653AP9
472653AQ7
472653AR5
472653AS3
472653AT1
472653AU8

Auction Rate Warrants

Series 2005-A

CUSIP	Subseries
472653BA1	2005-A-1
472653BB9	2005-A-2
472653BC7	2005-A-3
472653BD5	2005-A-4

Variable Rate Demand Warrants

Series 2005-B

CUSIP
472653BE3

[Continued on following page]

Alabama Water Pollution Control Authority

Revolving Fund Loan Refunding Bonds

Series 2003-B

CUSIP

010653QX4

010653QY2

010653QZ9

010653RA3

Jefferson County Public Building Authority

Lease Revenue Warrants

Series 2006

CUSIP

47267PAE3

47267PAF0

47267PAG8

47267PAH6

47267PAJ2

47267PAK9

47267PAL7

47267PAM5

47267PAN3

47267PAP8

47267PAQ6



THE BANK OF NEW YORK MELLON

Notice of Event of Default to Holders of
Jefferson County, Alabama

\$211,040,000 Sewer Revenue Refunding Warrants Series 1997-A
Cusip Nos. 472682NV1, 472682NW9, 472682NX7, 472682MC4, 472682MD2

\$275,000,000 Sewer Revenue Capital Improvement Warrants Series 2001-A
Cusip Nos. 472682JB0, 472682JC8, 472682JD6, 472682JE4, 472682JF1, 472682JG9,
472682JH7, 472682JJ3, 472682JL8, 472682JM6, 472682JN4

\$110,000,000 Sewer Revenue Capital Improvement Warrants Series 2002-A
Cusip Nos. 472682JW4

\$839,500,000 Sewer Revenue Refunding Warrants Series 2002-C
Cusip Nos. 472682KA0, 472682KB8, 472682KC6, 472682KD4, 472682KE2, 472682KF9,
472682KG7, 472682KH5, 472682KJ1, 472682KK8

\$41,820,000 Sewer Revenue Refunding Warrants Series 2003-A

\$1,155,765,000 Sewer Revenue Refunding Warrants Series 2003-B
Cusip Nos. 472682LH4, 472682LJ0, 472682LK7, 472682LL5, 472682LM3, 472682LN1,
472682LP6, 472682LQ4, 472682LR2, 472682LS0, 472682LT8, 472682ML4, 472682MM2,
472682MN0, 472682MP5, 472682MQ3, 472682MR1, 472682MS9

and \$1,052,025,000 Sewer Revenue Refunding Warrants Series 2003-C
Cusip Nos. 472682NA7, 472682NB5, 472682NC3, 472682ND1, 472682NE9, 472682NF6,
472682NG4, 472682NH2, 472682NJ8, 472682NK5¹

Note: This notice contains important information that is of interest to the registered and beneficial owners of the subject Bonds. Each registered holder of the Bonds should forward a copy of this Notice immediately to any beneficial owners(s) of the Bonds for whom the holder acts as nominee or in any other capacity.

The Bank of New York Mellon serves as the successor trustee (the "Trustee") under that certain Trust Indenture dated as of February 1, 1997 (as supplemented to the date hereof, the "Indenture"), executed by Jefferson County, Alabama (the "County"), in favor of the Trustee. The County has issued and outstanding \$3,135,977,500 in principal amount of sewer warrants (the "Sewer Warrants") pursuant to the Indenture. Terms not otherwise defined in this Notice shall have the meanings given them in the Indenture.

In accordance with and subject to the terms of the Indenture, the Sewer Warrants are special limited obligations of the County payable generally from revenues of the County sewer system available after the payment of operating expenses and other sources pledged or directed under the Indenture but

¹ No representation is made as to the correctness of the CUSIP Numbers which are included solely for the convenience of the Bondholders.

do not constitute or give rise to any personal or general pecuniary liability or charge against the general credit or taxing powers of the County.

The Trustee has previously issued notices to registered holders of Sewer Warrants of the occurrence of Events of Default under the Indenture, including the failure of the County to make payment of principal installments due on Sewer Warrants called for redemption pursuant to the terms of (i) the Indenture and (ii) standby warrant purchase agreements executed by the County and various liquidity banks in connection with the issuance of certain of the Sewer Warrants outstanding under the Indenture. These Events of Default continue.

The Trustee also has previously given notice that on August 3, 2009, it filed a complaint in the Circuit Court of Jefferson County, Alabama (the "State Court"), against the County seeking the appointment of an independent and qualified receiver to manage the sewer system and grant other relief as set forth in the complaint. On September 22, 2010, the State Court entered an Order finding that separate Events of Default have occurred and are continuing under the Indenture and appointing John S. Young, Jr., LLC,² a Delaware limited liability company (the "Receiver"), to serve as Receiver of the Jefferson County sewer system, with the power to take charge of and to administer and operate the sewer system. The State Court granted the Receiver the authority to implement operational efficiencies and revenue enhancement programs, including the sole and exclusive right and authority to fix rates and charges for services furnished by the sewer system.

On November 9, 2011, the County filed a voluntary petition for relief under chapter 9 of title 11 of the United States Code in the United States Bankruptcy Court for the Northern District of Alabama (Case No. 11-05736-TBB-9). The commencement of the voluntary bankruptcy case by the County constitutes an Event of Default under the Section 13.1(e) of the Indenture.

As of the date of this Notice, the Bonds have not been accelerated.

The Trustee will notify the Holders of Sewer Warrants of further material developments. Questions concerning this notice may be directed to the Trustee at The Bank of New York Mellon, Attention: Bridget Schessler, 525 William Penn Place, 38th Floor, Pittsburgh, PA 15259, or by calling 412-234-7967 or via email at bridget.schessler@bnymellon.com. While the Trustee will attempt to provide additional information to holders of the Sewer Warrants, please be advised that the Trustee may conclude that a specific response to a particular inquiry from an individual Sewer Warrant holder is not consistent with equal and full dissemination of information to all holders of Sewer Warrants. Accordingly, the Trustee may in its discretion decline to provide specific information in response to a particular inquiry. In addition, the Trustee is not able to provide holders of the Sewer Warrants with legal or investment advice under any circumstances. Holders of the Sewer Warrants should seek the advice of their own legal counsel and/or financial consultants regarding their individual rights under the Indenture.

Dated: November 21, 2011

**THE BANK OF NEW YORK MELLON,
as Trustee**

² John S. Young, Jr. agreed to remain the majority member and to serve as the Chief Executive Officer of John S. Young, LLC for so long as it is serving as the Receiver of the sewer system pursuant to the Order of the State Court.



Corporate Trust Services
214 North Tryon Street, 27th Floor
Charlotte, NC 28202

Notice to Holders of:

**Jefferson County, Alabama
Limited Obligation School Warrants
Series 2004-A**

*Cusip: 472653AC8, 472653AD6, 472653AE4, 472653AF1, 472653AG9, 472653AH7,
472653AJ3, 472653AK0, 472653AL8, 472653AM6, 472653AN4, 472653AP9,
472653AQ7, 472653AR5, 472653AS3, 472653AT1, 472653AU8

Series 2005-A

*Cusip: 472653BA1, 472653BB9, 472653BC7, 472653BD5

Series 2005-B

*Cusip: 472653BE3

Please forward this notice to beneficial holders.

U.S. Bank National Association serves as successor indenture trustee (the "Trustee") under that certain Indenture of Trust dated as of December 1, 2004, (the "Indenture"), by and between Jefferson County, Alabama (the "County"), as issuer, and SouthTrust Bank, as the original indenture trustee, pursuant to which the County's Limited Obligation School Warrants – Series 2004-A (the "2004-A School Bonds") were issued, and that certain First Supplemental Indenture dated as of January 1, 2005 (the "First Supplemental Indenture") pursuant to which the County's Limited Obligation School Warrants – Series 2005-A (the "2005-A School Bonds") and the Limited Obligation School Warrants – Series 2005-B (the "2005-B School Bonds") were issued (collectively, the 2004-A, 2005-A and 2005-B School Bonds are hereinafter referred to as the "School Bonds") All capitalized terms not otherwise defined shall have the meanings ascribed to them in the Indenture.

As indicated in prior notices, an Event of Default exists and is continuing under the Indenture by reason of the County's failure to satisfy covenants set forth in Sections 14.3 and 14.8 of the Indenture related to the Reserve Fund (the "Reserve Fund Requirement"). Those provisions require the County to maintain a minimum amount in the Reserve Fund, either in the form of cash or a qualified surety bond. The Reserve Fund became deficient when a surety bond issued by AMBAC no longer qualified for inclusion in the minimum Reserve Fund calculation and the county failed to replace that bond with a

qualified bond or cash within the period provided for by the Indenture. A Reserve Fund deficiency still remains, although the amount has been significantly reduced.

The County's Bankruptcy Filing

Pursuant to Section 18.2 of the Indenture, you are hereby notified of an additional Event of Default under the Indenture. On November 9, 2011 (the "Petition Date"), the County filed a petition under Chapter 9 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Alabama (the "Court").¹ The commencement of a voluntary bankruptcy proceeding by the County constitutes an Event of Default under Section 17.1(d)(iii) of the Indenture.

On the Petition Date, the County filed a Memorandum in Support of Eligibility (Docket No. 10) which explained that the County's decision to file was largely based upon two factors: (1) its debt service obligations related to the County's sanitary sewer system (the "Sewer System"); and (2) the outcome of litigation which eliminated the "Occupational Tax", a major source of revenue for the County.

The County has pledged all proceeds of the 1% Education Sales Tax that is collected by the County for the payment of and as security for the School Bonds. These funds have been segregated by the County and have been regularly paid to the Trustee pursuant to the Indenture since 2005 when the first School Bonds were issued. Your right to receive "Special Revenues" such as the Education Sales Tax is protected under the Bankruptcy Code. The Trustee anticipates that scheduled payments to holders of the School Bonds will continue to be paid in accordance with the Indenture.

Redemption of School Bonds

In fact, just prior to the Petition Date, on October 31, 2011, the County directed the Trustee in writing to credit \$5,750,000 of prior redemptions against the mandatory redemption of Series 2005-A Bonds due on January 1, 2012 in the same amount. Section 2.1(f) of the First Supplemental Indenture provides for scheduled mandatory redemptions of the 2005-A School Bonds and the 2005-B School Bonds. Such redemptions are currently permitted by the Indenture, however, Section 2.1(f) of the First Supplemental Indenture also provides that the County may direct that the principal amount of the 2005-A School Bonds and the 2005-B School Bonds previously redeemed be credited against the principal amount of the 2005-A School Bonds and the 2005-B School Bonds scheduled for redemption. Therefore, in accordance with the County's direction and Section 2.1(f) of the First Supplemental Indenture, any mandatory redemptions otherwise scheduled for January 1, 2012 will not occur.

The Trustee has retained counsel to represent it in the County's bankruptcy case and will file a proof of claim on behalf of all holders with respect to principal and interest owing under the School Bonds. Holders with other claims, whether or not related to the School

¹ The County's bankruptcy case will be administered under Case No. 11-05736 (TBB9).

Bonds, should seek independent legal counsel. The Trustee can provide no assurances at this time regarding the relief that the County might seek in the bankruptcy proceedings, and accordingly, it is premature to indicate that the bankruptcy proceedings will have no adverse consequences for Holders.

Holders of the School Bonds with questions about this notice should direct them, in writing, to Charles S. Hodges, Vice President, U.S. Bank National Association, 214 North Tryon Street, 27th Floor, Charlotte, NC 28202; or by email at steve.hodges@usbank.com. Holders with other questions may contact Bondholder Services at (800) 934-6802, option #5; or, at their website, located at www.usbank.com/corp_trust/bondholder_contact.html.

The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. Holders should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no investment advice.

U.S. Bank National Association,
as Indenture Trustee

November 18, 2011

*Trustee is not responsible for selection or use of CUSIP. It is included solely for holder convenience.



Corporate Trust Services
214 North Tryon Street, 27th Floor
Charlotte, NC 28202

Notice to Holders of:

**Jefferson County, Alabama
Limited Obligation School Warrants
Series 2004-A**

*Cusip: 472653AC8, 472653AD6, 472653AE4, 472653AF1, 472653AG9, 472653AH7,
472653AJ3, 472653AK0, 472653AL8, 472653AM6, 472653AN4, 472653AP9,
472653AQ7, 472653AR5, 472653AS3, 472653AT1, 472653AU8

Series 2005-A

*Cusip: 472653BA1, 472653BB9, 472653BC7, 472653BD5

Series 2005-B

*Cusip: 472653BE3

Please forward this notice to beneficial holders.

U.S. Bank National Association acts as successor indenture trustee ("Trustee") under that certain Indenture of Trust dated as of December 1, 2004, (the "Indenture"), by and between Jefferson County, Alabama (the "County"), as issuer, and SouthTrust Bank, as the original indenture trustee, pursuant to which the County's Limited Obligation School Warrants – Series 2004-A (the "2004-A School Bonds") were issued, and that certain First Supplemental Indenture dated as of January 1, 2005 (the "First Supplemental Indenture") pursuant to which the County's Limited Obligation School Warrants – Series 2005-A (the "2005-A School Bonds") and the Limited Obligation School Warrants – Series 2005-B (the "2005-B School Bonds") were issued. (Collectively, the 2004-A, 2005-A and 2005-B School Bonds are hereinafter referred to as the "School Bonds") All capitalized terms not otherwise defined shall have the meanings ascribed to them in the Indenture.

Status of the Event of Default related to the Reserve Fund Requirement

In prior notices from the Trustee, holders of the School Bonds have been notified of the existence of an Event of Default under the Indenture. The aforementioned Event of Default arises from the County's failure to satisfy all or a portion of the requirements set forth in Sections 14.3 and 14.8 of the Indenture related to the Reserve Fund (the "Reserve Fund Requirement"). (Please see the Trustee's prior notice dated February 5, 2010 for a more detailed explanation of the aforementioned Event of Default.) As of January 5,

2011, the County had deposited approximately \$11,300,000 to the Reserve Fund. The current balance of the Reserve Fund is \$69,720,261.84, plus the Surety Bond issued by Ambac Assurance guaranteeing certain payments into the Reserve Fund. The amount on deposit in the Reserve Fund remains insufficient to satisfy the Reserve Fund Requirement and an Event of Default continues to exist.

Notice Regarding Redemption of School Bonds

Pursuant to Sections 14.1 and 14.4 of the Indenture, moneys in the Redemption Fund are to be used for the purpose of redeeming the School Bonds prior to their maturity date in accordance with Section 9.1 of the Indenture, including the provisions of Section 9.1 providing for Excess Tax Proceeds Mandatory Redemption. However, the Indenture does not permit such redemptions to occur unless the balance of the Revenue Account is sufficient to pay the amounts required to be paid into the Debt Service Fund and Reserve Fund in a given year. Because the Reserve Fund is currently underfunded, the Indenture does not currently permit such redemptions under Section 9.1 of the Indenture to occur this year.

In addition to the redemption provisions contained in Section 9.1 of the Indenture, Section 2.1(f) of the First Supplemental Indenture provides for scheduled mandatory redemptions of the 2005-A School Bonds and the 2005-B School Bonds. Such redemptions are currently permitted by the Indenture; however, Section 2.1(f) of the First Supplemental Indenture also provides that the County may direct that the principal amount of the 2005-A School Bonds and the 2005-B School Bonds previously redeemed be credited against the principal amount of a particular series scheduled for redemption. Because the Trustee has received such a direction from the County redemptions of the 2005-A School Bonds under Section 2.1(f) of the First Supplemental Indenture have also been suspended this year.

Holders of Notes with questions about this notice should direct them, in writing, to Charles S. Hodges, Vice President, U.S. Bank National Association, 214 North Tryon Street, 27th Floor, Charlotte, NC 28202. Holders with other questions may contact U.S. Bank at (800) 934-6802, option #4.

The Trustee may conclude that a specific response to particular inquiries from individual holders is not consistent with equal and full dissemination of information to all holders. Holders should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no investment advice.

U.S. Bank National Association,
as Indenture Trustee

March 24, 2011

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