ESCROW TRUST AGREEMENT between JEFFERSON COUNTY, a political subdivision of the State of Alabama, party of the first part (herein called the "County"), and THE BANK OF NEW YORK, a New York banking corporation having an office in the City of Birmingham, Alabama, party of the second part (herein called the "Escrow Trustee");

REcITALS

The County has heretofore issued (i) its Sewer Revenue Warrants, Series 1997-D, dated March 1, 1997 (herein called the "Series 1997-D Warrants"), which were originally issued and are now outstanding in the aggregate principal amount of $296,395,000, (ii) its Sewer Revenue Capital Improvement Warrants, Series 1999-A, dated March 1, 1999 (herein called the "Series 1999-A Warrants"), which were originally issued and are now outstanding in the aggregate principal amount of $952,695,000, and (iii) its Sewer Revenue Capital Improvement Warrants, Series 2001-A, dated March 1, 2001 (herein called the "Series 2001-A Warrants"), which were originally issued and are now outstanding in the aggregate principal amount of $275,000,000.

The County can achieve debt service savings through a refunding, in advance of maturity, of certain of the outstanding Series 1997-D Warrants, Series 1999-A Warrants and Series 2001-A Warrants. Simultaneously with the delivery of this Escrow Trust Agreement, the County is issuing $839,500,000 aggregate principal amount of its Sewer Revenue Refunding Warrants, Series 2002-C (herein called the "Series 2002-C Warrants"), in order to provide the moneys needed to effect a refunding of certain of the Series 1997-D Warrants, Series 1999-A Warrants and Series 2001-A Warrants. Pursuant to this Escrow Trust Agreement, the County will establish with the Escrow Trustee an escrow fund to provide for such refundings, all as more particularly provided in the succeeding provisions of this Escrow Trust Agreement.

NOW, THEREFORE, THIS ESCROW TRUST AGREEMENT

WITNESSETH:

That in consideration of the respective representations, acknowledgments and agreements herein contained, the parties hereto agree as follows:
ARTICLE I

DEFINITIONS AND USE OF PHRASES

Section 1.1 Definitions. The following words and phrases and others evidently intended as the equivalent thereof shall, unless the context clearly indicates otherwise, be given the following respective meanings:

"Bond Counsel" means any attorney, or firm of attorneys, (i) who are acceptable to the County, to the Escrow Trustee and to Haskell Slaughter Young & Rediker, L.L.C., the law firm that served as bond counsel in connection with the issuance of the Series 2002-C Warrants, and (ii) whose opinions respecting the legality or validity of securities issued by or on behalf of states or political subdivisions thereof are nationally recognized and accepted.

"Code" means the Internal Revenue Code of 1986, as amended, or successor federal tax law at the time in force and effect.

"County" means the party of the first part hereto and its successors and assigns.

"Escrow Fund" means the escrow fund created in Section 3.1 hereof for the purpose of providing for the payment of the Refunded Warrants.

"Escrow Fund Balance" means, as of the time of determination thereof, the sum of (i) all uninvested moneys then held in the Escrow Fund and (ii) the net amount of cash that can be obtained from the immediate sale or other conversion into cash of all Supplemental Investments held in the Escrow Fund.

"Escrow Fund Basic Investments" means (i) the Initial Escrow Fund Investments and (ii) in the case of any rearrangement or restructuring of the Escrow Fund Basic Investments undertaken in accordance with the provisions of Section 3.3 hereof, any Federal Obligations or Qualified Tax-Exempt Obligations constituting new or additional Escrow Fund Basic Investments that may be acquired with additional moneys provided by the County or with all or part of the proceeds of the sale or other conversion into cash of investments theretofore constituting Escrow Fund Basic Investments or that may be substituted by the County for investments theretofore constituting Escrow Fund Basic Investments.

"Escrow Fund Investments" means (i) the Escrow Fund Basic Investments and (ii) any Supplemental Investments at the time held in the Escrow Fund.

"Escrow Trustee" means (i) the party of the second part hereto and its successors and assigns, and (ii) any banking corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party.
"Federal Obligations" means (i) direct obligations of the United States of America, and (ii) obligations payment of the principal of and the interest on which is unconditionally guaranteed by the United States of America.

"Independent Counsel" means legal counsel having no continuing employment or business relationship or other connection with the County which, in the opinion of the Escrow Trustee, might compromise or interfere with the independent judgment of such counsel in the performance of any services to be performed hereunder as Independent Counsel.

"Initial Escrow Fund Investments" means those Federal Obligations that are described in Exhibit A attached hereto and made a part hereof.

"Minimum Required Escrow Fund Balance" means the minimum Escrow Fund Balance, determined in accordance with the provisions of Section 3.4 hereof, that is required to be maintained in the Escrow Fund as of the conclusion of business on each February 1 and August 1 until the full payment and retirement of the Refunded Warrants, it being herein provided that the Minimum Required Escrow Fund Balance for each of the aforesaid dates shall be established as follows:

(i) if the Escrow Fund Basic Investments are not rearranged or restructured pursuant to the provisions of Section 3.3 hereof, the Minimum Required Escrow Fund Balance for each of the aforesaid dates shall be the amount so designated for each such date in the rightmost column of Exhibit B which is attached hereto and made a part hereof; and

(ii) in the event that a rearrangement or restructuring of the Escrow Fund Basic Investments is undertaken pursuant to the provisions of Section 3.3 hereof, the Minimum Required Escrow Fund Balance for each of the aforesaid dates occurring after such rearrangement or restructuring shall be as designated in the schedule of new balances required by the provisions of said Section 3.3 to be provided in connection with such rearrangement or restructuring.

"Qualified Tax-Exempt Obligations" means any obligations, whether general or limited, of any state of the United States of America or of any political subdivision or instrumentality of any such state or political subdivision thereof (i) which are rated not less favorably than AAA by Standard & Poor's Corporation and Aaa by Moody's Investors Service, Inc., (ii) the payment of the full amount of the principal of and interest on which is either unconditionally guaranteed by the United States of America or is to be derived from payments of principal of or interest on Federal Obligations held in an irrevocable trust fund, and (iii) the interest on which is exempt from federal income taxation in the opinion of Bond Counsel.

"Federal Obligations" means (i) direct obligations of the United States of America, and (ii) obligations payment of the principal of and the interest on which is unconditionally guaranteed by the United States of America.

"Independent Counsel" means legal counsel having no continuing employment or business relationship or other connection with the County which, in the opinion of the Escrow Trustee, might compromise or interfere with the independent judgment of such counsel in the performance of any services to be performed hereunder as Independent Counsel.

"Initial Escrow Fund Investments" means those Federal Obligations that are described in Exhibit A attached hereto and made a part hereof.

"Minimum Required Escrow Fund Balance" means the minimum Escrow Fund Balance, determined in accordance with the provisions of Section 3.4 hereof, that is required to be maintained in the Escrow Fund as of the conclusion of business on each February 1 and August 1 until the full payment and retirement of the Refunded Warrants, it being herein provided that the Minimum Required Escrow Fund Balance for each of the aforesaid dates shall be established as follows:

(i) if the Escrow Fund Basic Investments are not rearranged or restructured pursuant to the provisions of Section 3.3 hereof, the Minimum Required Escrow Fund Balance for each of the aforesaid dates shall be the amount so designated for each such date in the rightmost column of Exhibit B which is attached hereto and made a part hereof; and

(ii) in the event that a rearrangement or restructuring of the Escrow Fund Basic Investments is undertaken pursuant to the provisions of Section 3.3 hereof, the Minimum Required Escrow Fund Balance for each of the aforesaid dates occurring after such rearrangement or restructuring shall be as designated in the schedule of new balances required by the provisions of said Section 3.3 to be provided in connection with such rearrangement or restructuring.

"Qualified Tax-Exempt Obligations" means any obligations, whether general or limited, of any state of the United States of America or of any political subdivision or instrumentality of any such state or political subdivision thereof (i) which are rated not less favorably than AAA by Standard & Poor's Corporation and Aaa by Moody's Investors Service, Inc., (ii) the payment of the full amount of the principal of and interest on which is either unconditionally guaranteed by the United States of America or is to be derived from payments of principal of or interest on Federal Obligations held in an irrevocable trust fund, and (iii) the interest on which is exempt from federal income taxation in the opinion of Bond Counsel.
"Refunded Series 1997-D Warrants" means $28,000,000 principal amount of the Series 1997-D Warrants that mature in 2022 and $152,655,000 principal amount of the Series 1997-D Warrants that mature in 2027.


"Refunded Series 2001-A Warrants" means $7,655,000 principal amount of the Series 2001-A Warrants that mature in 2031 and $90,505,000 principal amount of the Series 2001-A Warrants that mature in 2040.

"Refunded Warrants" means (i) the Refunded Series 1997-D Warrants, (ii) the Refunded Series 1999-A Warrants, and (iii) the Refunded Series 2001-A Warrants.

"Series 1997-D Paying Agent" means The Bank of New York, in its capacity as paying agent for the Series 1997-D Warrants and any successors thereto as such paying agent.

"Series 1997-D Warrants" means the County's Sewer Revenue Warrants, Series 1997-D, dated March 1, 1997, which were originally issued and are now outstanding in the aggregate principal amount of $296,395,000.

"Series 1999-A Paying Agent" means The Bank of New York, in its capacity as paying agent for the Series 1999-A Warrants and any successors thereto as such paying agent.

"Series 1999-A Warrants" means the County's Sewer Revenue Capital Improvement Warrants, Series 1999-A, dated March 1, 1999, which were originally issued and are now outstanding in the aggregate principal amount of $952,695,000.

"Series 2001-A Paying Agent" means The Bank of New York, in its capacity as paying agent for the Series 2001-A Warrants and any successors thereto as such paying agent.

"Series 2001-A Warrants" means the County's Sewer Revenue Capital Improvement Warrants, Series 2001-A, dated March 1, 2001, which were originally issued and are now outstanding in the aggregate principal amount of $275,000,000.

"Series 2002-C Paying Agent" means The Bank of New York, in its capacity as paying agent for the Series 2002-C Warrants and any successors thereto as such paying agent.

"Series 2002-C Warrants" means the County's Sewer Revenue Refunding Warrants, Series 2002-C, issued in the aggregate principal amount of $839,500,000.
"Supplemental Investments", when used with reference to the Escrow Fund, means any investments made with moneys in such fund pursuant to the provisions of Section 4.1 hereof, which investments shall consist of any of the following: (i) Federal Obligations; (ii) Qualified Tax-Exempt Obligations; and (iii) the stripped interest components of obligations of the Resolution Funding Corporation.

"Yield", when used with reference to the Series 2002-C Warrants, any Federal Obligations or any other debt obligations, means the "yield" on such warrants or obligations, as the case may be, computed in accordance with United States Treasury Regulations §§ 1.148-4 and 1.148-5 or other appropriate regulations under the Code.

Section 1.2 Use of Phrases. "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Escrow Trust Agreement as an entirety and not solely to the particular portion in which any such word is used. The definitions set forth in Section 1.1 hereof include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

ARTICLE II

REPRESENTATIONS

Section 2.1 Representations by the County. The County makes the following representations as the basis for the undertakings on its part herein contained:

(a) The County has heretofore duly issued the Series 1997-D Warrants, and they are now outstanding in the aggregate principal amount of $296,395,000. The outstanding Series 1997-D Warrants are fully registered warrants which bear interest at the following per annum rates, payable on each February 1 and August 1, and mature on February 1 as follows:

<table>
<thead>
<tr>
<th>Year of Maturity</th>
<th>Principal Amount</th>
<th>Interest Rate (per annum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$ 21,235,000</td>
<td>5.65%</td>
</tr>
<tr>
<td>2018</td>
<td>22,525,000</td>
<td>5.70</td>
</tr>
<tr>
<td>2019</td>
<td>23,810,000</td>
<td>5.70</td>
</tr>
<tr>
<td>2020</td>
<td>25,170,000</td>
<td>5.70</td>
</tr>
<tr>
<td>2022</td>
<td>51,000,000</td>
<td>5.75</td>
</tr>
<tr>
<td>2027</td>
<td>152,655,000</td>
<td>5.75</td>
</tr>
</tbody>
</table>
Those of the Series 1997-D Warrants maturing on February 1, 2022, are subject to scheduled mandatory redemption on February 1, 2021, in the principal amount of $23,000,000. Series 1997-D Warrants in the aggregate principal amount of $28,000,000 will remain to be paid at their scheduled maturity on February 1, 2022.

Those of the Series 1997-D Warrants maturing on February 1, 2027, are subject to scheduled mandatory redemption on the following respective dates and in the following respective principal amounts:

<table>
<thead>
<tr>
<th>Redemption Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 2023</td>
<td>$ 27,055,000</td>
</tr>
<tr>
<td>February 1, 2024</td>
<td>28,650,000</td>
</tr>
<tr>
<td>February 1, 2025</td>
<td>30,450,000</td>
</tr>
<tr>
<td>February 1, 2026</td>
<td>32,250,000</td>
</tr>
</tbody>
</table>

Series 1997-D Warrants in the aggregate principal amount of $34,250,000 will remain to be paid at their scheduled maturity on February 1, 2027.

(b) The Bank of New York is the paying agent for the Series 1997-D Warrants. The Series 1997-D Paying Agent has been provided with sufficient moneys to pay those of the Series 1997-D Warrants that matured on or before February 1, 2002, and all such Series 1997-D Warrants that have been presented for payment have been paid in full and cancelled. Out of moneys previously provided by the County for the payment of those of the Series 1997-D Warrants that matured on or before February 1, 2002, the Series 1997-D Paying Agent retains a sum of moneys sufficient to pay all such Series 1997-D Warrants not yet presented for payment. The Series 1997-D Paying Agent has also been provided with sufficient moneys to pay all interest on the Series 1997-D Warrants that became due on or before August 1, 2002. Out of the moneys provided by the County for the payment of the aforesaid interest on the Series 1997-D Warrants, the Series 1997-D Paying Agent has paid such interest by mailing checks or drafts to the respective registered holders of the Series 1997-D Warrants entitled to receive such interest.

(c) The Series 1997-D Warrants maturing after February 1, 2007 may be prepaid and redeemed on February 1, 2007, as a whole or in part, at a redemption price equal to the principal amount of each thereof plus accrued interest to the date of redemption and a premium equal to one percent (1%) of the principal amount of each Series 1997-D Warrant so redeemed.
(d) The County has heretofore adopted a resolution calling the Refunded Series 1997-D Warrants for redemption on February 1, 2007.

(e) The County has heretofore duly issued the Series 1999-A Warrants, and they are now outstanding in the aggregate principal amount of $952,695,000. The outstanding Series 1999-A Warrants are fully registered warrants which bear interest at the following per annum rates, payable on each February 1 and August 1, and mature on February 1 as follows:

<table>
<thead>
<tr>
<th>Year of Maturity</th>
<th>Principal Amount</th>
<th>Interest Rate (per annum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2029</td>
<td>$120,735,000</td>
<td>5.125%</td>
</tr>
<tr>
<td>2033</td>
<td>281,240,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2036</td>
<td>252,560,000</td>
<td>5.375</td>
</tr>
<tr>
<td>2038</td>
<td>193,225,000</td>
<td>5.75</td>
</tr>
<tr>
<td>2039</td>
<td>104,935,000</td>
<td>5.125</td>
</tr>
</tbody>
</table>

Those of the Series 1999-A Warrants maturing on February 1, 2029, are subject to scheduled mandatory redemption on February 1, 2028, in the principal amount of $58,820,000. Series 1999-A Warrants in the aggregate principal amount of $61,915,000 will remain to be paid at their scheduled maturity on February 1, 2029.

Those of the Series 1999-A Warrants maturing on February 1, 2033, are subject to scheduled mandatory redemption on the following respective dates and in the following respective principal amounts:

<table>
<thead>
<tr>
<th>Redemption Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 2030</td>
<td>$65,125,000</td>
</tr>
<tr>
<td>February 1, 2031</td>
<td>68,465,000</td>
</tr>
<tr>
<td>February 1, 2032</td>
<td>71,980,000</td>
</tr>
</tbody>
</table>

Series 1999-A Warrants in the aggregate principal amount of $75,670,000 will remain to be paid at their scheduled maturity on February 1, 2033.

Those of the Series 1999-A Warrants maturing on February 1, 2036, are subject to scheduled mandatory redemption on the following respective dates and in the following respective principal amounts:
<table>
<thead>
<tr>
<th>Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 2034</td>
<td>$79,705,000</td>
</tr>
<tr>
<td>February 1, 2035</td>
<td>$84,105,000</td>
</tr>
</tbody>
</table>

Series 1999-A Warrants in the aggregate principal amount of $88,750,000 will remain to be paid at their scheduled maturity on February 1, 2036.

Those of the Series 1999-A Warrants maturing on February 1, 2038, are subject to scheduled mandatory redemption on February 1, 2037, in the principal amount of $93,835,000. Series 1999-A Warrants in the aggregate principal amount of $99,390,000 will remain to be paid at their scheduled maturity on February 1, 2038.

(f) The Bank of New York is the paying agent for the Series 1999-A Warrants. The Series 1999-A Paying Agent has been provided with sufficient moneys to pay those of the Series 1999-A Warrants that matured on or before February 1, 2002, and all such Series 1999-A Warrants that have been presented for payment have been paid in full and cancelled. Out of moneys previously provided by the County for the payment of those of the Series 1999-A Warrants that matured on or before February 1, 2002, the Series 1999-A Paying Agent retains a sum of moneys sufficient to pay all such Series 1999-A Warrants not yet presented for payment. The Series 1999-A Paying Agent has also been provided with sufficient moneys to pay all interest on the Series 1999-A Warrants that became due on or before August 1, 2002. Out of the moneys provided by the County for the payment of the aforesaid interest on the Series 1999-A Warrants, the Series 1999-A Paying Agent has paid such interest by mailing checks or drafts to the respective registered holders of the Series 1999-A Warrants entitled to receive such interest.

(g) The Series 1999-A Warrants may be prepaid and redeemed on February 1, 2009, as a whole or in part, at a redemption price equal to the principal amount of each thereof plus accrued interest to the date of redemption and a premium equal to one percent (1%) of the principal amount of each Series 1999-A Warrant so redeemed.

(h) The County has heretofore adopted a resolution calling the Refunded Series 1999-A Warrants for redemption on February 1, 2009.

(i) The County has heretofore duly issued the Series 2001-A Warrants, and they are now outstanding in the aggregate principal amount of $275,000,000. The outstanding Series 2001-A Warrants are fully registered warrants which bear
interest at the following per annum rates, payable on each February 1 and August 1, and mature on February 1 as follows:

<table>
<thead>
<tr>
<th>Year of Maturity</th>
<th>Principal Amount</th>
<th>Interest Rate (per annum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>$795,000</td>
<td>4.50%</td>
</tr>
<tr>
<td>2008</td>
<td>830,000</td>
<td>4.50</td>
</tr>
<tr>
<td>2009</td>
<td>870,000</td>
<td>4.50</td>
</tr>
<tr>
<td>2010</td>
<td>910,000</td>
<td>4.50</td>
</tr>
<tr>
<td>2011</td>
<td>950,000</td>
<td>4.50</td>
</tr>
<tr>
<td>2012</td>
<td>995,000</td>
<td>4.50</td>
</tr>
<tr>
<td>2013</td>
<td>1,045,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2014</td>
<td>1,095,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2015</td>
<td>1,155,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2016</td>
<td>1,215,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2018</td>
<td>2,615,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2019</td>
<td>1,410,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2020</td>
<td>1,480,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2021</td>
<td>1,555,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2031</td>
<td>21,285,000</td>
<td>5.50</td>
</tr>
<tr>
<td>2034</td>
<td>8,955,000</td>
<td>5.00</td>
</tr>
<tr>
<td>2040</td>
<td>90,505,000</td>
<td>5.50</td>
</tr>
<tr>
<td>2041</td>
<td>137,335,000</td>
<td>5.00</td>
</tr>
</tbody>
</table>

Those of the Series 2001-A Warrants maturing on February 1, 2018, are subject to scheduled mandatory redemption on February 1, 2017, in the principal amount of $1,275,000. Series 2001-A Warrants in the aggregate principal amount of $1,340,000 will remain to be paid at their scheduled maturity on February 1, 2018.

Those of the Series 2001-A Warrants maturing on February 1, 2031, are subject to scheduled mandatory redemption on the following respective dates and in the following respective principal amounts:
<table>
<thead>
<tr>
<th>Redemption Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 2022</td>
<td>$1,640,000</td>
</tr>
<tr>
<td>February 1, 2023</td>
<td>1,735,000</td>
</tr>
<tr>
<td>February 1, 2024</td>
<td>1,830,000</td>
</tr>
<tr>
<td>February 1, 2025</td>
<td>1,935,000</td>
</tr>
<tr>
<td>February 1, 2026</td>
<td>2,045,000</td>
</tr>
<tr>
<td>February 1, 2027</td>
<td>2,160,000</td>
</tr>
<tr>
<td>February 1, 2028</td>
<td>2,285,000</td>
</tr>
<tr>
<td>February 1, 2029</td>
<td>2,410,000</td>
</tr>
<tr>
<td>February 1, 2030</td>
<td>2,550,000</td>
</tr>
</tbody>
</table>

Series 2001-A Warrants in the aggregate principal amount of $2,695,000 will remain to be paid at their scheduled maturity on February 1, 2031.

Those of the Series 2001-A Warrants maturing on February 1, 2034, are subject to scheduled mandatory redemption on the following respective dates and in the following respective principal amounts:

<table>
<thead>
<tr>
<th>Redemption Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 2032</td>
<td>$2,835,000</td>
</tr>
<tr>
<td>February 1, 2033</td>
<td>2,985,000</td>
</tr>
</tbody>
</table>

Series 2001-A Warrants in the aggregate principal amount of $3,135,000 will remain to be paid at their scheduled maturity on February 1, 2034.

Those of the Series 2001-A Warrants maturing on February 1, 2040, are subject to scheduled mandatory redemption on the following respective dates and in the following respective principal amounts:

<table>
<thead>
<tr>
<th>Redemption Date</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 1, 2035</td>
<td>$3,305,000</td>
</tr>
<tr>
<td>February 1, 2036</td>
<td>3,490,000</td>
</tr>
<tr>
<td>February 1, 2037</td>
<td>3,690,000</td>
</tr>
<tr>
<td>February 1, 2038</td>
<td>3,900,000</td>
</tr>
<tr>
<td>February 1, 2039</td>
<td>4,120,000</td>
</tr>
</tbody>
</table>
Series 2001-A Warrants in the aggregate principal amount of $72,000,000 will remain to be paid at their scheduled maturity on February 1, 2040.

Those of the Series 2001-A Warrants maturing on February 1, 2041, are subject to scheduled mandatory redemption on February 1, 2040, in the principal amount of $29,960,000. Series 2001-A Warrants in the aggregate principal amount of $107,375,000 will remain to be paid at their scheduled maturity on February 1, 2041.

(j) The Bank of New York is the paying agent for the Series 2001-A Warrants. The Series 2001-A Paying Agent has been provided with sufficient moneys to pay those of the Series 2001-A Warrants that matured on February 1, 2002, and all such Series 2001-A Warrants that have been presented for payment have been paid in full and cancelled. Out of moneys previously provided by the County for the payment of those of the Series 2001-A Warrants that matured on February 1, 2002, the Series 2001-A Paying Agent retains a sum of moneys sufficient to pay all such Series 2001-A Warrants not yet presented for payment. The Series 2001-A Paying Agent has also been provided with sufficient moneys to pay all interest on the Series 2001-A Warrants that became due on or before August 1, 2002. Out of the moneys provided by the County for the payment of the aforesaid interest on the Series 2001-A Warrants, the Series 2001-A Paying Agent has paid such interest by mailing checks or drafts to the respective registered holders of the Series 2001-A Warrants entitled to receive such interest.

(k) The Series 2001-A Warrants maturing after February 1, 2011 may be prepaid and redeemed on February 1, 2011, as a whole or in part, at a redemption price equal to the principal amount of each thereof plus accrued interest to the date of redemption and a premium equal to one percent (1%) of the principal amount of each Series 2001-A Warrant so redeemed.

(l) The County has heretofore adopted a resolution calling the Refunded Series 2001-A Warrants for redemption on February 1, 2011.

(m) This Escrow Trust Agreement and the execution and delivery thereof on behalf of the County have been duly authorized by all necessary action by the governing body of the County, and this Escrow Trust Agreement has been duly executed and delivered on behalf of the County and constitutes a valid and binding agreement of the County.

Section 2.2 **Representations by the Escrow Trustee.** The Escrow Trustee, as the basis for the undertakings on its part herein contained, represents that it has the power to enter into this
Escrow Trust Agreement and to accept and administer the trusts created hereby and has been duly authorized to do so by all necessary corporate action.

ARTICLE III

CREATION OF ESCROW FUND AND
APPLICATION OF MONEYS HELD THEREIN

Section 3.1 Creation of Escrow Fund; Initial Funding Thereof. There is hereby created an irrevocable trust fund, designated the Escrow Fund, for the purpose of providing for the payment of the Refunded Warrants. The Escrow Fund shall be maintained until all the Refunded Warrants shall have been paid in full. The Escrow Trustee shall be the depository, custodian and disbursing agent for the Escrow Fund and shall hold and administer the Escrow Fund in accordance with the provisions hereof. Subject to the provisions of Sections 3.3 and 4.1 hereof, all moneys held in the Escrow Fund shall be applied by the Escrow Trustee solely as provided in Section 3.2 hereof.

The Escrow Fund shall consist of the Escrow Fund Basic Investments, all Supplemental Investments (if any) held in the Escrow Fund, the interest income from all Escrow Fund Investments, the proceeds derived from the payment or other conversion into cash of any of the Escrow Fund Investments, and all other moneys deposited in the Escrow Fund pursuant to the provisions hereof.

Simultaneously with the delivery of this Escrow Trust Agreement, the County will pay to the Escrow Trustee, out of the proceeds derived from the sale of the Series 2002-C Warrants, the sum of $825,919,397. The moneys so paid to the Escrow Trustee shall be used to establish the Escrow Fund. Upon the receipt thereof, the Escrow Trustee will immediately apply such moneys to the purchase of the Initial Escrow Fund Investments. The Escrow Trustee hereby acknowledges that said amount of $825,919,397 will be sufficient to purchase the Initial Escrow Fund Investments.

The County represents that moneys sufficient to provide (a) for the payment, when due, of the interest on the Refunded Warrants until their respective redemption dates and (b) for the payment of the redemption prices of the Refunded Warrants on their respective redemption dates, will be provided by the principal and interest maturing with respect to the Initial Escrow Fund Investments, without any need for additional income derived from the further investment of the principal and interest maturing with respect to the Initial Escrow Fund Investments.

Section 3.2 Application of Moneys in Escrow Fund to Payment of the Refunded Warrants. As and when the principal of and interest on the Escrow Fund Investments become due and payable, the Escrow Trustee will collect such principal and interest and deposit the same in the Escrow Fund. In the event that any moneys held in the Escrow Fund shall be invested in Supplemental Investments pursuant to the provisions of Section 4.1 hereof, the moneys so invested shall be deemed available to make any payments required by the succeeding provisions of this section,
and if any such Supplemental Investments do not mature on or before the date on which such payments are required to be made, such Supplemental Investments shall be sold or otherwise converted into cash to the extent necessary to provide moneys for such payments.

Moneys in the Escrow Fund shall be withdrawn and applied by the Escrow Trustee for the purposes and to the extent specified below:

(a) on February 1, 2003, and on each February 1 and August 1 thereafter until February 1, 2007, there shall be paid to the Series 1997-D Paying Agent such amount as will be sufficient to pay the interest becoming due with respect to the Refunded Series 1997-D Warrants on such date;

(b) on February 1, 2007, there shall be paid to the Series 1997-D Paying Agent such amount as will be sufficient to pay the redemption price of the Refunded Series 1997-D Warrants called for redemption on that date;

(c) on February 1, 2003, and on each February 1 and August 1 thereafter until February 1, 2009, there shall be paid to the Series 1999-A Paying Agent such amount as will be sufficient to pay the interest becoming due with respect to the Refunded Series 1999-A Warrants on such date;

(d) on February 1, 2009, there shall be paid to the Series 1999-A Paying Agent such amount as will be sufficient to pay the redemption price of the Refunded Series 1999-A Warrants called for redemption on that date;

(e) on February 1, 2003, and on each February 1 and August 1 thereafter until February 1, 2011, there shall be paid to the Series 2001-A Paying Agent such amount as will be sufficient to pay the interest becoming due with respect to the Refunded Series 2001-A Warrants on such date; and

(f) on February 1, 2011, there shall be paid to the Series 2001-A Paying Agent such amount as will be sufficient to pay the redemption price of the Refunded Series 2001-A Warrants called for redemption on that date.

If the Escrow Fund Basic Investments should be rearranged or restructured in accordance with the provisions of Section 3.3 hereof, the preceding provisions of this section specifying payments from the Escrow Fund may be modified as to amount, timing, source, priority or other conditions in such manner and to such extent as shall be permitted or required by the certificate of an independent certified public accountant and the opinion of Bond Counsel that must be furnished to the Escrow Trustee in connection with any rearrangement or restructuring of the Escrow Fund Basic Investments pursuant to Section 3.3 hereof.
Section 3.3 Restructuring of Escrow Fund Basic Investments. Subject to compliance with all of the applicable conditions set forth in this section, the County shall have the right to cause the Escrow Trustee to rearrange or restructure the Escrow Fund Basic Investments one or more times for any of the following reasons:

(a) the continued holding of the Escrow Fund Basic Investments in accordance with the provisions hereof shall have been rendered economically or legally undesirable by a change in applicable federal or state law or by an adverse interpretation of federal or state law considered by counsel to be applicable at the time of the delivery of this Escrow Trust Agreement, it being hereby agreed that the rearrangement or restructuring of the Escrow Fund Basic Investments may be justified by such change in law or such adverse interpretation of law, as the case may be, irrespective of whether this Escrow Trust Agreement or any transactions related thereto shall be the subject of pending administrative or judicial action or whether such rearrangement or restructuring shall be recommended as an anticipatory corrective measure by counsel to the County;

(b) at the time of any proposed rearrangement or restructuring of the Escrow Fund Basic Investments, it shall be economically or legally desirable or necessary to provide for the payment of the Refunded Warrants with new Escrow Fund Basic Investments that can be obtained at a cost to the County less than the then current liquidation value of the Escrow Fund Basic Investments that are to be replaced as a consequence of such rearrangement or restructuring; or

(c) at the time of any proposed rearrangement or restructuring of the Escrow Fund Basic Investments, it shall be economically or legally desirable or necessary to redeem or purchase for retirement all or any of the Refunded Warrants with moneys then invested in the Escrow Fund Basic Investments.

In connection with any rearrangement or restructuring of the Escrow Fund Basic Investments, the Escrow Trustee will, upon written request of the County (the form of such request and the due authorization thereof by the County to be satisfactory to the Escrow Trustee), (i) sell or otherwise convert into cash any Escrow Fund Investments then held in the Escrow Fund and use the proceeds from such sale or conversion, together with any other cash held in the Escrow Fund or contributed by the County, to purchase as new Escrow Fund Basic Investments such Federal Obligations or Qualified Tax-Exempt Obligations as shall be specified by the County, and (ii) surrender any specified Escrow Fund Investments to the County in exchange for other Federal Obligations or Qualified Tax-Exempt Obligations to be substituted as new Escrow Fund Basic Investments.

No rearrangement or restructuring of the Escrow Fund Basic Investments shall be permitted unless the following conditions shall be satisfied:
(1) after the completion of such rearrangement or restructuring, the Escrow Fund shall contain Escrow Fund Basic Investments that will mature on such dates (or will be subject to redemption at the option of the holder or otherwise convertible into cash on certain conditions), bear such interest payable at such times, and be of such tenor as will, without any expectation of income from the investment and reinvestment of future cash balances in the Escrow Fund, provide moneys which, together with any cash on deposit in the Escrow Fund immediately following the completion of such rearrangement or restructuring, will be sufficient to pay all principal and interest thereafter maturing and the redemption price becoming due and payable with respect to those of the Refunded Warrants that will remain outstanding after the completion of such rearrangement or restructuring;

(2) in connection with such rearrangement or restructuring, any net amount derived from the sale or other liquidation of Escrow Fund Basic Investments that is not reinvested in substitute Escrow Fund Basic Investments (recognizing as an adjustment to such net amount the net difference in the market value between any investments surrendered to the County in exchange for substitute investments and the market value of such substitute investments) shall be used as the County shall determine for one or more of the following purposes: (i) to pay or redeem Series 1997-D Warrants, Series 1999-A Warrants or Series 2001-A Warrants in accordance with the terms thereof or to purchase any such warrants for retirement, (ii) to pay or redeem Series 2002-C Warrants in accordance with the terms thereof or to purchase Series 2002-C Warrants for retirement, or (iii) to establish an irrevocable trust fund containing Federal Obligations, Qualified Tax-Exempt Obligations or any combination thereof for the future payment and redemption of Series 2002-C Warrants, it being agreed that compliance with the conditions of this subparagraph (2) shall be evidenced by such certificates of officials of the County and copies of such related documents as the Escrow Trustee shall reasonably require;

(3) there shall be furnished to the Escrow Trustee a report of an independent certified public accountant (acceptable to both the County and the Escrow Trustee) stating the conclusion that the Escrow Fund Basic Investments resulting from such rearrangement or restructuring comply with the conditions set forth in subparagraph (1) of this paragraph, which report shall contain such schedules as shall be necessary to support such conclusion, together with a new schedule of Minimum Required Escrow Fund Balances for each payment date for the Refunded Warrants until and including the scheduled retirement of all Refunded Warrants with moneys provided by the rearranged or restructured Escrow Fund Basic Investments; and

(4) there shall be furnished to the Escrow Trustee a written opinion of Bond Counsel to the effect that none of the actions taken in connection with such rearrangement or restructuring of the Escrow Fund Basic Investments will cause any
of the Series 1997-D Warrants, the Series 1999-A Warrants, the Series 2001-A Warrants or the Series 2002-C Warrants to be or become "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations thereunder.

Section 3.4 Determination of Minimum Required Escrow Fund Balances. The Minimum Required Escrow Fund Balance for any February 1 or August 1 shall be an amount of money remaining in the Escrow Fund at the close of business on each such date (or the close of business on the next succeeding business day) with respect to which the following conditions shall be satisfied:

(a) all applications of moneys from the Escrow Fund shall have been made that are required to be made from such fund on such date by the provisions of Section 3.2 hereof;

(b) beginning as of the date of the delivery of this Escrow Trust Agreement (or, in the case of any rearrangement or restructuring of Escrow Fund Basic Investments pursuant to Section 3.3 hereof, the date of the completion of such rearrangement or restructuring), the Minimum Required Escrow Fund Balance shall be determined as the amount by which

(i) the sum of (A) in the case of any rearrangement or restructuring of Escrow Fund Basic Investments pursuant to Section 3.3 hereof, the total cash deposit in the Escrow Fund immediately following the completion of such rearrangement or restructuring, and (B) the cumulative total of all principal and interest scheduled since such beginning date to mature or otherwise become due and payable on or before such February 1 or August 1, as the case may be, with respect to the Escrow Fund Basic Investments exceeds

(ii) the cumulative total of all principal and interest scheduled since such beginning date to mature or otherwise become due and payable on or before such February 1 or August 1, as the case may be, with respect to the Refunded Warrants; and

(c) the Minimum Required Escrow Fund Balance for each February 1 or August 1, as the case may be, when added to the cumulative total of all principal and interest thereafter scheduled to mature or otherwise become due and payable with respect to the Escrow Fund Basic Investments, will be sufficient, without any expectation of income from Supplemental Investments or other funds, to pay all principal and interest that will thereafter mature or otherwise become due and payable with respect to the Refunded Warrants.
The Minimum Required Escrow Fund Balance for the date on which the Refunded Warrants are scheduled to be paid in full will be an amount satisfying the conditions of subparagraphs (a) and (b) without regard to the conditions of subparagraph (c).

Section 3.5 Redemption of Refunded Series 1997-D Warrants. The County and the Escrow Trustee hereby acknowledge that the governing body of the County has called for redemption on February 1, 2007, all of the Refunded Series 1997-D Warrants. The County hereby irrevocably authorizes and directs the Escrow Trustee, as agent of the County with power to act in its name, to effect the redemption of such Refunded Series 1997-D Warrants in accordance with all applicable provisions of the First Supplemental Indenture pursuant to which such warrants were issued. Without limiting the power and authority hereby conferred upon the Escrow Trustee, the County hereby specifically authorizes and directs the Escrow Trustee to mail, by United States registered or certified mail, to the registered owner of each Refunded Series 1997-D Warrant called for redemption, at its address shown in the registry books of the Series 1997-D Paying Agent applicable thereto, a notice in substantially the form hereinafter specified, such notice to be mailed not more than sixty (60) nor less than thirty (30) days prior to February 1, 2007.

The form of the notice referred to above shall be substantially as follows:

NOTICE OF CALL OF WARRANTS FOR REDEMPTION

Jefferson County, Alabama has called for redemption on February 1, 2007, and will redeem and pay on that date, its Sewer Revenue Warrants, Series 1997-D, that mature on February 1, 2022 in the principal amount of $28,000,000, consisting of warrants bearing the following numbers:

[insert certificate numbers]

and that mature on February 1, 2027 in the principal amount of $152,655,000. Each warrant so called for redemption will become due and payable on February 1, 2007, at and for a redemption price equal to 101% of the principal amount thereof, plus accrued interest to February 1, 2007. The warrants so called for redemption should be presented for payment and redemption at the principal office of The Bank of New York, Birmingham, Alabama, and will cease to bear interest after February 1, 2007, whether or not so presented.
DATED this ____ day of ______________________, ____.

JEFFERSON COUNTY, ALABAMA

By: THE BANK OF NEW YORK,
   Its Duly Authorized Agent

By ____________________________________________

Its __________________________________________

The Escrow Trustee hereby accepts the agency powers conferred upon it by this section with respect to the redemption of Series 1997-D Warrants, and it hereby agrees to take, in a timely manner, all actions necessary under said First Supplemental Indenture to redeem on February 1, 2007, pursuant to the provisions of this section, the Refunded Series 1997-D Warrants.

Section 3.6 Redemption of Refunded Series 1999-A Warrants. The County and the Escrow Trustee hereby acknowledge that the governing body of the County has called for redemption on February 1, 2009, all of the Refunded Series 1999-A Warrants. The County hereby irrevocably authorizes and directs the Escrow Trustee, as agent of the County with power to act in its name, to effect the redemption of such Refunded Series 1999-A Warrants in accordance with all applicable provisions of the Second Supplemental Indenture pursuant to which such warrants were issued. Without limiting the power and authority hereby conferred upon the Escrow Trustee, the County hereby specifically authorizes and directs the Escrow Trustee to mail, by United States registered or certified mail, to the registered owner of each Series 1999-A Warrant called for redemption, at its address shown in the registry books of the Series 1999-A Paying Agent applicable thereto, a notice in substantially the form hereinafter specified, such notice to be mailed not more than sixty (60) nor less than thirty (30) days prior to February 1, 2009.

The form of the notice referred to above shall be substantially as follows:

NOTICE OF CALL OF WARRANTS FOR REDEMPTION

Jefferson County, Alabama has called for redemption on February 1, 2009, and will redeem and pay on that date, its Sewer Revenue Capital Improvement Warrants, Series 1999-A, that mature on February 1, 2036 in the principal amount of $252,560,000, and that mature on February 1, 2038 in the principal amount of $193,225,000. Each warrant so called for redemption will become due and payable on February 1, 2009, at and for a redemption price equal to 101% of the principal amount thereof, plus accrued interest to February 1, 2009. The warrants so called for
redemption should be presented for payment and redemption at the principal office of The Bank of New York, Birmingham, Alabama, and will cease to bear interest after February 1, 2009, whether or not so presented.

DATED this _____ day of ______________________,______

JEFFERSON COUNTY, ALABAMA

By: THE BANK OF NEW YORK,
Its Duly Authorized Agent

By______________________________

Its______________________________

The Escrow Trustee hereby accepts the agency powers conferred upon it by this section with respect to the redemption of Series 1999-A Warrants, and it hereby agrees to take, in a timely manner, all actions necessary under said Second Supplemental Indenture to redeem on February 1, 2009, pursuant to the provisions of this section, the Refunded Series 1999-A Warrants.

Section 3.7 Redemption of Refunded Series 2001-A Warrants. The County and the Escrow Trustee hereby acknowledge that the governing body of the County has called for redemption on February 1, 2011, all of the Refunded Series 2001-A Warrants. The County hereby irrevocably authorizes and directs the Escrow Trustee, as agent of the County with power to act in its name, to effect the redemption of such Refunded Series 2001-A Warrants in accordance with all applicable provisions of the Third Supplemental Indenture pursuant to which such warrants were issued. Without limiting the power and authority hereby conferred upon the Escrow Trustee, the County hereby specifically authorizes and directs the Escrow Trustee to mail, by United States registered or certified mail, to the registered owner of each Series 2001-A Warrant called for redemption, at its address shown in the registry books of the Series 2001-A Paying Agent applicable thereto, a notice in substantially the form hereinafter specified, such notice to be mailed not more than sixty (60) nor less than thirty (30) days prior to February 1, 2011.

The form of the notice referred to above shall be substantially as follows:

NOTICE OF CALL OF WARRANTS FOR REDEMPTION

Jefferson County, Alabama has called for redemption on February 1, 2011, and will redeem and pay on that date, its Sewer Revenue Capital Improvement
Warrants, Series 2001-A, that mature on February 1, 2031 in the principal amount of $7,655,000, consisting of warrants bearing the following numbers:

[insert certificate numbers]

and that mature on February 1, 2040 in the principal amount of $90,505,000. Each warrant so called for redemption will become due and payable on February 1, 2011, at and for a redemption price equal to 101% of the principal amount thereof, plus accrued interest to February 1, 2011. The warrants so called for redemption should be presented for payment and redemption at the principal office of The Bank of New York, Birmingham, Alabama, and will cease to bear interest after February 1, 2011, whether or not so presented.

DATED this _____ day of __________________, _____

JEFFERSON COUNTY, ALABAMA

By: THE BANK OF NEW YORK,
Its Duly Authorized Agent

By_____________________________

Its_____________________________

The Escrow Trustee hereby accepts the agency powers conferred upon it by this section with respect to the redemption of Series 2001-A Warrants, and it hereby agrees to take, in a timely manner, all actions necessary under said Third Supplemental Indenture to redeem on February 1, 2011, pursuant to the provisions of this section, the Refunded Series 2001-A Warrants.

ARTICLE IV

INVESTMENT AND SECURITY PROVISIONS
RESPECTING MONEYS IN ESCROW FUND

Section 4.1 Investment of Moneys in Escrow Fund. Subject to the provisions of Sections 3.3 and 6.1 hereof and to the succeeding provisions of this section, moneys held in the Escrow Fund that are not at the time invested in Escrow Fund Basic Investments shall be continuously invested and reinvested by the Escrow Trustee in Supplemental Investments which shall have the highest interest rate or profit potential among Supplemental Investments reasonably known and available to the Escrow Trustee in the ordinary course of its business and which shall mature (or be
subject to redemption at the option of the holder thereof) on such dates as will assure the availability of cash in the Escrow Fund to make any payments therefrom required by the provisions hereof. Any Supplemental Investments acquired by the Escrow Trustee pursuant to the provisions of this section shall be deemed at all times to constitute part of the Escrow Fund, and all income earned, profits realized and losses suffered by reason of the acquisition or disposition of such investments shall be credited or charged, as the case may be, to the Escrow Fund. The Escrow Trustee may sell, redeem or otherwise convert into cash any Supplemental Investments constituting a part of the Escrow Fund to the extent necessary (as the Escrow Trustee shall determine in the exercise of its sole discretion) to provide cash in such fund for any payments required by the provisions hereof to be made therefrom. The Escrow Trustee shall not be liable for losses incurred in connection with investments made or disposed of in accordance with the provisions of this section.

All uninvested moneys at any time held in the Escrow Fund shall be invested in compliance with the following conditions:

1. such moneys shall be invested either (A) in Qualified Tax-Exempt Obligations without regard to Yield or (B) in other Supplemental Investments that are purchased at market prices as determined in accordance with applicable United States Treasury Regulations and that have Yields not greater than the Yield on the Series 2002-C Warrants; and

2. such moneys shall not be invested in any Supplemental Investments other than Qualified Tax-Exempt Obligations if, at the time of any proposed investment of such moneys, the combined cumulative total of all income and profit realized from Supplemental Investments theretofore held in the Escrow Fund (including all profit and loss realized from the acquisition and disposition of Supplemental Investments), plus the expected income and profit from any Supplemental Investments then held in the Escrow Fund, will exceed the sum of $10,000.00.

In order to facilitate compliance with the condition stated in subparagraph (2) above, the Escrow Trustee will at all times maintain a continuing record of the cumulative total of the income and profit earned from Supplemental Investments at any time held in the Escrow Fund from the effective date of this Escrow Trust Agreement, it being understood that such cumulative total shall include any income from Supplemental Investments that may theretofore have been disbursed from the Escrow Fund pursuant to the provisions of Section 3.2 hereof. Any portion of uninvested moneys in the Escrow Fund that at any time cannot be invested in compliance with the conditions set forth in subparagraphs (1) and (2) above shall be held as a cash balance in such fund until such time (which may be never) as such moneys can be invested in compliance with such conditions.

Anything contained herein to the contrary notwithstanding, the Escrow Trustee shall not invest any Escrow Fund moneys in Supplemental Investments unless the County provides to the Escrow Trustee a report of an independent certified public accountant stating the conclusion that,
following the acquisition of the proposed Supplemental Investments, the Escrow Fund shall contain
Escrow Fund Investments that will mature on such dates (or will be subject to redemption at the
option of the holder or otherwise convertible into cash on certain conditions), bear such interest
payable at such times, and be of such tenor as will, without any expectation of income from the
investment and reinvestment of future cash balances in the Escrow Fund, provide moneys which,
together with any cash on deposit in the Escrow Fund immediately following the acquisition of such
Supplemental Investments, will be sufficient to pay all principal and interest thereafter maturing or
otherwise becoming due and payable with respect to those of the Refunded Warrants that will remain
outstanding after the acquisition of such Supplemental Investments.

The Escrow Trustee shall be fully protected in relying upon an opinion of Bond Counsel as
to the proper interpretation and application of the provisions of this section, and the Escrow Trustee
may take or permit actions not in compliance with such provisions if it obtains a written opinion of
Bond Counsel to the effect that such actions will not result in any of the Series 1997-D Warrants, the
Series 1999-A Warrants, the Series 2001-A Warrants or the Series 2002-C Warrants being or
becoming "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable
regulations thereunder.

Section 4.2 Security for the Escrow Fund. The moneys at any time on deposit in the
Escrow Fund shall be and at all times remain public funds impressed with a trust for the purpose for
which the Escrow Fund is herein created. The Escrow Trustee shall at all times keep the moneys on
deposit in the Escrow Fund continuously secured, for the benefit of the County and the holders of
the Refunded Warrants, either

(a) by holding on deposit, as collateral security, Federal Obligations
having a market value (exclusive of accrued interest) not less than the combined total
of moneys on deposit in the Escrow Fund, or

(b) if the furnishing of security in the manner provided by the preceding
clause (a) is not permitted by the then applicable laws and regulations, then in such
other manner as may be required or permitted by the then applicable state and federal
laws and regulations respecting the security for, or granting a preference in the case
of, the deposit of public funds;

provided, however, that it shall not be necessary for the Escrow Trustee so to secure any portion of
the moneys held in the Escrow Fund that is at the time invested in Federal Obligations or Qualified
Tax-Exempt Obligations or insured by the Federal Deposit Insurance Corporation or by any agency
of the United States of America that may succeed to its functions.
ARTICLE V

CONCERNING THE ESCROW TRUSTEE

Section 5.1 Acceptance of Trusts. The Escrow Trustee accepts the trusts hereby created and agrees to perform the duties herein required of it, either expressly or by reasonable implication, subject, however, to the following conditions:

(a) It shall not be liable hereunder except for its noncompliance with the provisions hereof, its willful misconduct or its gross negligence, or the breach of any warranty or the untruthfulness of any representation made herein by it, and, in particular and without limiting the generality of the foregoing, it shall not be liable for any losses resulting from any investment of moneys, or the conversion into cash of any investment forming a part of the Escrow Fund if it shall have made such investment or conversion in accordance with the provisions hereof.

(b) It may consult with Independent Counsel on any matters connected herewith and the written advice or opinion of such Independent Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) It shall not be answerable for any action taken in good faith on any notice, request, consent, certificate or other paper or document which it believes to be genuine and signed or acknowledged by the proper party.

(d) It shall be entitled to reasonable compensation for its services hereunder, including extra compensation for unusual or extraordinary services.

(e) It may be the holder of the Series 1997-D Warrants, the Series 1999-A Warrants, the Series 2001-A Warrants and the Series 2002-C Warrants, or any thereof, as if not Escrow Trustee hereunder.

(f) It shall not be liable for the proper application of any moneys other than those that may be paid to or deposited with it.

(g) All moneys received by the Escrow Trustee to be held by it hereunder shall be held as trust funds until disbursed in the manner herein provided therefor. The Escrow Trustee shall not be liable to pay or allow interest thereon or otherwise to invest any such moneys except as specifically required herein.

(h) It shall, upon reasonable request, advise the County of the cash balances and investments at the time contained in the Escrow Fund.
Section 5.2  **Failure of Escrow Trustee to Account for Escrow Fund.** In the event that the Escrow Trustee fails to account for any of the investments or other assets forming part of the Escrow Fund, said investments or other assets shall be and remain the property of the County in trust for the holders of the Refunded Warrants secured thereby, as herein provided, and if for any reason such investments or other assets cannot be identified, the assets of the Escrow Trustee shall be impressed with a trust for the amount thereof, and the County shall be entitled to a preferred claim upon such assets until such identification is made.

Section 5.3  **Compensation and Expenses of the Escrow Trustee.** The Escrow Trustee shall be entitled to reasonable compensation for its services hereunder and to payment of all reasonable charges, expenses and disbursements incurred by it in the performance of its duties hereunder. The County will pay the full amount of such compensation, charges, expenses and disbursements directly to the Escrow Trustee promptly upon being billed therefor by the Escrow Trustee.

**ARTICLE VI**

**MISCELLANEOUS**

Section 6.1  **Provisions Respecting Avoidance of Arbitrage.** The County hereby represents that the portion of the proceeds of the Series 2002-C Warrants invested in the Initial Escrow Fund Investments has been invested at Yields which do not cause any of the Series 2002-C Warrants to be "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations thereunder. Anything herein contained to the contrary notwithstanding, the County shall not request or direct the Escrow Trustee to invest any moneys in the Escrow Fund, nor shall the Escrow Trustee, with or without direction from the County, invest any moneys in the Escrow Fund, if the Yields on the investments of such moneys, the amounts invested therein or any other factors relating thereto would cause any of the Series 1997-D Warrants, the Series 1999-A Warrants, the Series 2001-A Warrants or the Series 2002-C Warrants to be "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations thereunder; provided, however, that the Escrow Trustee shall have no responsibility under the preceding provisions of this sentence for the investments expressly directed by Section 3.1 hereof, it being understood that such investments have been made at the direction of the County without any responsibility of the Escrow Trustee for the consequences thereof under federal tax law.

Anything in this Escrow Trust Agreement to the contrary notwithstanding, if Section 148 of the Code or the applicable regulations thereunder shall be modified, or interpreted by the United States Treasury Department, the Internal Revenue Service or a court of competent jurisdiction, or held invalid by a court of competent jurisdiction, and the effect of the modification, interpretation or invalidation is to make unnecessary to any extent any provision hereof restricting the Yield on any investments or any other provision hereof intended to ensure that the interest on the Series 1997-D Warrants, the Series 1999-A Warrants, the Series 2001-A Warrants and the Series 2002-C Warrants
is and will continue to be exempt from federal income taxation, then to that extent such provisions shall be ineffective. The Escrow Trustee, however, shall not take any action pursuant to this paragraph without a prior written opinion of Bond Counsel that such action would not adversely affect the exemption of the interest on the Series 1997-D Warrants, the Series 1999-A Warrants, the Series 2001-A Warrants and the Series 2002-C Warrants from federal income taxation.

Section 6.2 Third Party Beneficiaries Hereof. The holders of the Refunded Warrants and the Series 2002-C Warrants shall be third party beneficiaries of this Escrow Trust Agreement as and to the extent provided herein.

Section 6.3 Concerning the Authorizing Proceedings for the Refunded Warrants. The execution and delivery of this Escrow Trust Agreement and the establishment of the Escrow Fund shall relieve the County from its obligations to make payments to the respective paying agents of amounts necessary to provide for the payment of the principal of and the interest on the Refunded Warrants. Notwithstanding the foregoing, the County acknowledges and agrees that there shall remain in full force and effect those provisions of the instruments pursuant to which the Refunded Warrants were issued that are necessary or convenient for the County and the respective paying agents to perform their respective remaining duties with respect to the Refunded Warrants, including, without limitation, those administrative provisions thereof relating to the payment of such obligations and the interest applicable thereto, whether such obligations are presented for payment at maturity or thereafter.

Section 6.4 Termination of Escrow Trust Agreement; Payment of Remaining Moneys to the County. This Escrow Trust Agreement shall terminate when the principal of and the interest and premium on the Refunded Warrants shall have been paid in full in accordance with the provisions hereof. Upon the payment in full of the principal of and the interest and premium on the Refunded Warrants, the Escrow Trustee will promptly pay and transfer to the County any moneys and other assets then remaining in or forming a part of the Escrow Fund that are not needed for the payment of such warrants.

Section 6.5 Amendments to Escrow Trust Agreement. The parties hereto may, without the consent of or notice to the holders of any of the Refunded Warrants, at any time and from time to time, amend this Escrow Trust Agreement for any one or more of the following purposes:

(a) to add to the covenants and agreements herein contained other covenants and agreements thereafter to be observed and performed by either of the parties hereto, provided that such other covenants and agreements shall not either expressly or impliedly limit or restrict any of the obligations hereunder of either of the parties hereto;

(b) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision contained herein or in any amendment hereto, or to make any
provision with respect to matters arising hereunder or under any amendment hereto
for any other purpose if such provisions are necessary or desirable and are not
inconsistent with the provisions hereof and do not, in the judgment of the Escrow
Trustee, adversely affect the interests of the holders of the Refunded Warrants;

(c) to make subject to the trusts created herein additional funds, securities
or properties; or

(d) to modify particular provisions hereof to such extent as shall be neces-
sary to eliminate inconsistent or contradictory provisions resulting from a rearrange-
ment or restructuring of the Escrow Fund Basic Investments in accordance with the
applicable provisions of Section 3.3 hereof.

With respect to all questions arising under this section, the Escrow Trustee shall be entitled to rely
upon an opinion of Bond Counsel acceptable to it.

Section 6.6 Benefit and Binding Effect of Escrow Trust Agreement. This Escrow
Trust Agreement shall inure to the benefit of, and shall be binding upon, the County and the Escrow
Trustee and their respective successors and assigns. Except as otherwise provided in Section 6.2
hereof with respect to the holders of the Refunded Warrants and the Series 2002-C Warrants, the
covenants and agreements herein contained are for the sole and exclusive benefit of the parties hereto
and their respective successors and assigns.

Section 6.7 Governing Law. This Escrow Trust Agreement shall in all respects be gov-
erned by and construed in accordance with the laws of the State of Alabama.

Section 6.8 Article and Section Captions. The article and section captions contained
herein are included for convenience only and shall not be considered a part hereof or affect in any
manner the construction or interpretation of this Escrow Trust Agreement.

Section 6.9 Severability. In the event any provision of this Escrow Trust Agreement shall
be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not
invalidate or render unenforceable any other provision hereof.
IN WITNESS WHEREOF, the County and the Escrow Trustee have caused this Escrow Trust Agreement to be executed in their respective names, have caused their respective seals to be hereunto affixed, have caused this Escrow Trust Agreement to be attested, all by their duly authorized officers, in ten (10) counterparts, each of which shall be an original, and have caused this Escrow Trust Agreement to be dated as of October 1, 2002, although actually executed and delivered on October 25, 2002.

JEFFERSON COUNTY, ALABAMA

By

[Signature]

President of the County Commission

ATTEST:

[Signature]

Minute Clerk of the County Commission

[Seal]

THE BANK OF NEW YORK

By: The Bank of New York Trust Company of Florida, N.A., its Agent

By

[Signature]

Its

[Signature]

Its

[Seal]

[Seal]
STATE OF ALABAMA 

JEFFERSON COUNTY 

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that GARY WHITE, whose name as President of the County Commission of JEFFERSON COUNTY, a political subdivision of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said political subdivision.

GIVEN under my hand and official seal of office, this 25th day of October, 2002.

[ NOTARIAL SEAL ]

Maureen P. McDee
Notary Public

My Commission Expires: 7-24-04

STATE OF ALABAMA 

JEFFERSON COUNTY 

I, the undersigned authority, a Notary Public in and for said County in said State, hereby certify that CARY L. JONES, whose name as Vice President of THE BANK OF NEW YORK TRUST COMPANY OF FLORIDA, N.A., acting as agent for THE BANK OF NEW YORK, a New York banking corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation acting in the capacity as agent as aforesaid.

GIVEN under my hand and official seal of office, this 25th day of October, 2002.

[ NOTARIAL SEAL ]

Maureen P. McDee
Notary Public

My Commission Expires: 7-24-04
EXHIBIT A

to
ESCROW TRUST AGREEMENT
between
JEFFERSON COUNTY
and
THE BANK OF NEW YORK
dated as of October 1, 2002

Schedule of United States Treasury obligations that are to constitute the Initial Escrow Fund Investments to be purchased and held by the Escrow Trustee in the Escrow Fund under the Escrow Trust Agreement of which this Exhibit A forms a part:

<table>
<thead>
<tr>
<th>Description of Obligation</th>
<th>Principal Amount</th>
<th>Per Annum Interest Rate</th>
<th>Date of Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Treasury Certificate</td>
<td>$13,070,044</td>
<td>1.61%</td>
<td>February 1, 2003</td>
</tr>
<tr>
<td>U.S. Treasury Certificate</td>
<td>6,935,742</td>
<td>1.65</td>
<td>August 1, 2003</td>
</tr>
<tr>
<td>U.S. Treasury Note</td>
<td>7,023,532</td>
<td>1.75</td>
<td>February 1, 2004</td>
</tr>
<tr>
<td>U.S. Treasury Note</td>
<td>7,084,987</td>
<td>1.89</td>
<td>August 1, 2004</td>
</tr>
<tr>
<td>U.S. Treasury Note</td>
<td>7,151,941</td>
<td>2.06</td>
<td>February 1, 2005</td>
</tr>
<tr>
<td>U.S. Treasury Note</td>
<td>7,225,606</td>
<td>2.24</td>
<td>August 1, 2005</td>
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<tr>
<td>U.S. Treasury Note</td>
<td>7,306,532</td>
<td>2.42</td>
<td>February 1, 2006</td>
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<tr>
<td>U.S. Treasury Note</td>
<td>7,394,941</td>
<td>2.61</td>
<td>August 1, 2006</td>
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<tr>
<td>U.S. Treasury Note</td>
<td>189,952,996</td>
<td>2.80</td>
<td>February 1, 2007</td>
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<td>U.S. Treasury Note</td>
<td>4,956,956</td>
<td>2.97</td>
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<tr>
<td>U.S. Treasury Note</td>
<td>5,030,567</td>
<td>3.15</td>
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<td>U.S. Treasury Note</td>
<td>5,109,798</td>
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<td>U.S. Treasury Note</td>
<td>455,437,216</td>
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<td>U.S. Treasury Note</td>
<td>753,432</td>
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<td>U.S. Treasury Note</td>
<td>766,919</td>
<td>3.67</td>
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<td>U.S. Treasury Note</td>
<td>780,992</td>
<td>3.74</td>
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<tr>
<td>U.S. Treasury Note</td>
<td>99,937,196</td>
<td>3.81</td>
<td>February 1, 2011</td>
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EXHIBIT B

to
ESCROW TRUST AGREEMENT
between
JEFFERSON COUNTY
and
THE BANK OF NEW YORK
dated as of October 1, 2002

ESCROW FUND CASH FLOW

Total Receipts from Initial Escrow Fund Investments

<table>
<thead>
<tr>
<th>Date</th>
<th>Beginning Balance</th>
<th>Total Scheduled Receipts</th>
<th>Total Escrow Fund Requirements</th>
<th>Minimum Required Escrow Fund Balance</th>
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<tbody>
<tr>
<td>February 1, 2003</td>
<td>$0.00</td>
<td>$20,236,001.32</td>
<td>$20,236,000.00</td>
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<td>August 1, 2004</td>
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<td>15,042,168.82</td>
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<td>February 1, 2011</td>
<td>1.13</td>
<td>101,840,999.58</td>
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