

**MATERIAL EVENT NOTICE  
(bond call and defeasance)**

**JEFFERSON COUNTY, ALABAMA  
Sewer Revenue Refunding Warrants  
Series 1997-A  
Dated February 1, 1997**

NOTICE IS HEREBY GIVEN that certain of the above-referenced warrants (the "Series 1997-A Warrants") have been called for redemption on February 1, 2007. The Series 1997-A Warrants that have been called for redemption (the "Called Series 1997-A Warrants") consist of (i) Series 1997-A Warrants in the principal amount of \$3,970,000 that have a stated maturity date of February 1, 2017, (ii) Series 1997-A Warrants in the principal amount of \$5,175,000 that have a stated maturity date of February 1, 2018, and (iii) Series 1997-A Warrants in the principal amount of \$6,550,000 that have a stated maturity date of February 1, 2019. The redemption price for the Called Series 1997-A Warrants will be 101% of the principal amount thereof plus accrued interest to the redemption date.

As used herein, "Refunded Series 1997-A Warrants" means (a) the Called Series 1997-A Warrants, (b) Series 1997-A Warrants in the principal amount of \$4,210,000 that have a stated maturity date of February 1, 2005, and (c) Series 1997-A Warrants in the principal amount of \$2,635,000 that have a stated maturity date of February 1, 2006. The Refunded Series 1997-A Warrants have been defeased through the establishment of an irrevocable trust fund (the "Escrow Fund") with The Bank of New York, as Escrow Trustee. The Escrow Fund contains obligations issued or guaranteed by the United States of America and cash sufficient to make provision for the payment, when due, of the principal of and interest on the Refunded Series 1997-A Warrants and for the payment on the aforesaid redemption date of said redemption price of the Called Series 1997-A Warrants.

The defeasance described in this notice is in addition to an earlier defeasance of certain Series 1997-A Warrants that was described in an earlier material event notice.

**JEFFERSON COUNTY, ALABAMA**  
Steve Saylor  
Director of Finance