

**ASSURED  
GUARANTY<sup>®</sup>**  
CORP.

July 21, 2011



Via Federal Express

Pedro Carrillo  
Interim Chief Administrative Officer  
City of Bell  
6330 Pine Avenue  
Bell, California 90201

Re: \$35,000,000 City of Bell General Obligation Bonds (Election of 2003),  
Series 2007

Dear Mr. Carrillo:

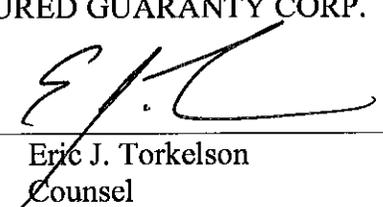
Enclosed is Assured Guaranty Corp.'s original Notice of Effective Date (the "Notice") relating to Policy No. CIFGNA-1843 (the "Policy") insuring the above-referenced Bonds. The Notice forms part of and should be attached to the original Policy.

If applicable, please kindly forward the original or a copy of the Notice to the paying agent or registrar for the Bonds.

Please contact me if you have any questions at [etorkelson@assuredguaranty.com](mailto:etorkelson@assuredguaranty.com) or (212) 408-6057.

Sincerely yours,

ASSURED GUARANTY CORP.

By: 

Eric J. Torkelson  
Counsel

Enclosure



NOTICE OF EFFECTIVE DATE

OBLIGOR: City of Bell

Policy No.: CIFGNA-1843

OBLIGATIONS: \$35,000,000 General Obligation Bonds
(Election of 2003), Series 2007

On April 14, 2011, Assured Guaranty Corp., a Maryland corporation ("AGC"), entered into an Instrument of Transfer and Assumption with CIFG Assurance North America, Inc. (the "Company").

This is to certify that the Policy was transferred to and assumed by AGC as its direct obligation in substitution for the obligation of the Company, as provided in the Instrument of Transfer and Assumption, effective on the Effective Date.

All of the terms and conditions of the Policy remain unchanged, except that from and after the Effective Date AGC has become the insurer in full substitution for the Company, and because of that substitution the Company has been released from all of its obligations under the Policy.

If the transfer of the Policy to AGC, the assumption of the Policy by AGC or the release of the Company from its obligations under the Policy is determined by a court of competent jurisdiction or other governmental authority on or after the Effective Date to be ineffective in any respect and for any reason, then the Certificate of Consent to Transfer, Assumption and Release and this Notice of Effective Date shall be ineffective to the extent of such determination unless and until it has been determined by such court of competent jurisdiction or other governmental authority, as applicable, that such transfer, assumption and release are effective in all respects or the conditions imposed by such court of competent jurisdiction or other governmental authority have been satisfied.

All notices to AGC may be mailed by registered mail or personally delivered or telecopied to AGC at 31 West 52nd Street, New York, New York 10019, Telephone Number: (212) 974-0100, Facsimile Number: (212) 581-3268, Attention: Risk Management Department - Public Finance Surveillance, with a copy to the General Counsel at the same address and at generalcounsel@assuredguaranty.com or at the following Facsimile Number: (212) 445-8705, or to such other address as shall be specified by AGC to the trustee or the paying agent in writing.

This Notice of Effective Date forms a part of and should be attached to the Policy, provided that the failure to attach this Notice of Effective Date shall not affect the validity hereof or thereof.

IN WITNESS WHEREOF, AGC has caused this Notice of Effective Date to be signed by its duly authorized officer and to become effective and binding upon AGC on the Effective Date listed above by virtue of such signature.

ASSURED GUARANTY CORP.
By: [Signature]
Authorized Officer

Form No. NOV 01 (11 10)



**CERTIFICATE OF CONSENT TO TRANSFER, ASSUMPTION AND RELEASE**

April 15, 2011

City of Bell  
Bell City Hall  
6330 Pine Avenue  
Bell, CA 90201

Policy No.: CIFGNA-1843  
Obligor: City of Bell, CA  
Obligations: General Obligation Bonds (Election of 2003) Series of 2007  
CUSIP: 07786BAX8, 07786BAY6, 07786BAZ3, 07786BBA7, 07786BBB5, 07786BBC3,  
07786BBD1, 07786BBE9, 07786BBF6, 07786BBG4, 07786BBH2, 07786BBJ8,  
07786BBK5, 07786BBL3, 07786BBM1, 07786BBN9, 07786BBP4, 07786BBQ2,  
07786BBR0

This is to certify that, pursuant to the terms of the Instrument of Transfer and Assumption, dated as of April 14, 2011, by and between CIFG Assurance North America, Inc. ("CIFG") and Assured Guaranty Corp. ("AGC"), subject to your signing this Certificate of Consent to Transfer, Assumption and Release, the above policy and all endorsements thereto (the "Policy") issued by CIFG, an insurer organized under the laws of New York, shall be assigned to and assumed by AGC, an insurer organized under the laws of Maryland. AGC's principal place of business is 31 West 52nd Street, New York, New York 10019. This change will be effective as of the date on which CIFG receives this Certificate of Consent to Transfer, Assumption and Release signed by you, except where the Policy is part of a group of related policies (including financial guaranties and guaranties of debt service reserve fund obligations, interest rate swaps and/or liquidity facilities) pertaining to the same underlying obligation, in which case this change will be effective as of the date on which CIFG receives the last of (1) this Certificate of Consent to Transfer, Assumption and Release signed by you and (2) fully executed Certificates of Consent to Transfer, Assumption and Release for all such related policies (as applicable, the "Effective Date"). This Certificate of Consent to Transfer, Assumption and Release, signed by you, must be received prior to 5:00 p.m., New York City time, on July 15, 2011 (or such later or earlier date and time as may be determined by CIFG and AGC in their sole discretion).

**Assured Guaranty Corp.**

31 West 52<sup>nd</sup> Street  
New York, NY 10019

main 212 974 0100  
fax 212 581 3268

[info@assuredguaranty.com](mailto:info@assuredguaranty.com)

[www.assuredguaranty.com](http://www.assuredguaranty.com)

By signing this Certificate of Consent to Transfer, Assumption and Release, as the duly authorized representative of the holders of the above-referenced obligations (the "Bondholders"), you hereby consent and agree on behalf of the Bondholders:

(1) To the transfer by CIFG to AGC (the "Transfer"), and the assumption by AGC from CIFG (the "Assumption"), of all of CIFG's rights, title and interest, and all existing and future liabilities and obligations, in, to and under the Policy;

(2) That, from and after the Effective Date, (i) AGC will be the insurer in full substitution for CIFG with respect to CIFG's rights and obligations under the terms of the Policy and (ii) each reference to CIFG in the Policy shall be deemed to refer to AGC;

(3) That, from and after the Effective Date, CIFG shall have no further liabilities or obligations, of any kind and nature, primary or secondary, direct or indirect, absolute or contingent, known or unknown, whenever arising, whether accrued or not accrued, under the terms of the Policy;

(4) That neither CIFG nor any of its affiliates has made any representation or warranty whatsoever, express or implied, with respect to the content, completeness or accuracy of the information concerning AGC contained herein or otherwise provided to you or the Bondholders in connection with the Transfer and Assumption of the Policy by AGC, including, with respect to the financial soundness, claims-paying ability or credit-worthiness of AGC;

(5) You, on behalf of the Bondholders, waive any and all confidentiality restrictions relating to the Policy, both retroactively and prospectively, but only to the extent required to allow CIFG to share necessary information concerning the Policy with AGC;

(6) In consideration for the assumption by AGC of all obligations of CIFG under the Policy, as of the Effective Date, you, on behalf the Bondholders, irrevocably and unconditionally release and discharge CIFG in its capacity as insurer under the Policy from any and all liabilities, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims and demands whatsoever, known or unknown, in law or equity, against CIFG or its affiliates, parent or subsidiaries, which you (as representative of the Bondholders), the Bondholders and any of your or their successors and assigns ever had, now have or hereafter can, shall or may have, for, upon, or by reason of any rights under the terms of the Policy, including any and all of CIFG's obligations incurred, accrued, or otherwise occurring or arising under the terms of the Policy prior to the Effective Date. The release in this Paragraph 6 may not be changed orally. For the avoidance of doubt, AGC shall assume all of the liabilities under the terms of the Policy as of the Effective Date, as well as liabilities arising thereafter.

(7) You explicitly agree, on behalf of the Bondholders, that all rights under Section 1542 of the California Civil Code or any similar provisions of law are hereby expressly waived. Section 1542 of the California Civil Code provides as follows: A GENERAL RELEASE DOES

NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

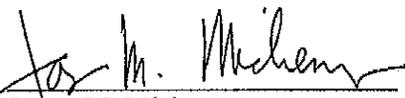
(8) In consideration for the assumption by AGC of all obligations of CIFG under the terms of the Policy, you shall file, after the Effective Date of the Transfer and Assumption, any claims arising under the Policy (but excluding claims alleging extra-contractual liabilities of CIFG in connection with the Policy), directly with AGC.

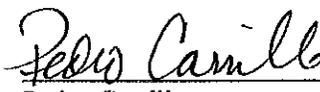
This Certificate of Consent to Transfer, Assumption and Release shall, upon the Effective Date, form a part of and should be attached to the Policy, provided that the failure to attach this Certificate of Consent to Transfer, Assumption and Release to the Policy shall not affect the validity hereof or thereof. From and after the Effective Date, to the extent the provisions of this Certificate of Consent to Transfer, Assumption and Release conflict with the provisions of the Policy, the provisions of this Certificate of Consent to Transfer, Assumption and Release shall take precedence and be binding.

IN WITNESS WHEREOF, AGC has caused this Certificate of Consent to Transfer, Assumption and Release to be signed by its duly authorized officer and to become effective and binding upon AGC on the Effective Date listed above by virtue of such signature.

ASSURED GUARANTY CORP.

ACKNOWLEDGED AND AGREED:  
City of Bell, California

By:   
Name: James M. Michener  
Title: General Counsel

By:   
Name: Pedro Carrillo  
Title: Interim Chief Administrative Officer

Dated: 07/14/2011

NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

(8) In consideration for the assumption by AGC of all obligations of CIFG under the terms of the Policy, you shall file, after the Effective Date of the Transfer and Assumption, any claims arising under the Policy (but excluding claims alleging extra-contractual liabilities of CIFG in connection with the Policy), directly with AGC.

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ASSURED GUARANTY CORP.

ACKNOWLEDGED AND AGREED:

City of Bell, California

By:

Name: James M. Michener

Title: General Counsel

By:

Name: Pedro Carrillo

Title: Interim Chief Administrative Officer

Dated:

07/14/2011