

**MATERIAL EVENT NOTICE
REPORT OF BOND CALL**

**San Diego Tobacco Settlement Revenue Funding Corporation
Tobacco Settlement Asset-Backed Bonds
Series 2006**

Maturity
06/01/2032

CUSIP No.
797330AA5

On June 1, 2012, the maturity of the San Diego Tobacco Settlement Revenue Funding Corporation Tobacco Settlement Asset-Backed Bonds, Series 2006 captioned above was redeemed.

Attached is the Trustee's Notice of Redemption issued on May 1, 2012.

DATED: 6/5, 2012

CITY OF SAN DIEGO

By: 

Jay M. Goldstone
Chief Operating Officer

NOTICE OF REDEMPTION

**SAN DIEGO CALIFORNIA TOBACCO SETTLEMENT REVENUE FUNDING
CORPORATION**

**Tobacco Settlement Asset - Backed Bond Series 2006
Dated: June 21, 2006**

Redemption Date: June 1, 2012
Redemption Reason/Source of Funds: Optional Redemption
Total Redemption Amount: \$3,160,000

<u>CUSIP</u>	<u>Maturity</u>	<u>Rate</u>	<u>Amount</u>	<u>Price</u>
797330AA5	06/01/2032	7.125%	\$3,160,000	100.00%

* denotes full call on CUSIP

NOTICE IS HEREBY GIVEN that the securities described herein have been called for redemption at the applicable redemption price plus accrued interest, if any, to the redemption date. On the redemption date, each security shall become due and payable, and interest shall cease to accrue. In the event less than the entire principal amount of a security is to be redeemed, a new security for the unredeemed portion will be issued in your name without charge. Payment of the redemption proceeds will be made on or after the redemption date upon presentation and surrender of the securities to:

Registered/Certified Mail:

Wells Fargo Bank, N.A.
Corporate Trust Operations
P.O. Box 1517
Minneapolis, MN 55480-1517

Air Courier:

Wells Fargo Bank, N.A.
Corporate Trust Operations
N9303-121
6th & Marquette Avenue
Minneapolis, MN 55479

In person:

Wells Fargo Bank, N.A.
Northstar East Building
608 2nd Ave. So., 12th Fl.
Minneapolis, MN

Wells Fargo Bank, N.A. policy does not allow the safekeeping of securities within Corporate Trust Operations for a period of longer than 30 days. Please DO NOT submit your securities for payment more than 30 days in advance of the redemption date. A \$25.00 wire transfer fee will be deducted from each payment requested to be made by wire. When inquiring about this redemption, please have the Bond number available. Please inform the customer service representative of the CUSIP number(S) of the affected Bond. Customer Service can be reached at 612-667-9764 or Toll Free at 1-800-344-5128.

IMPORTANT NOTICE

Under section 3406(a)(1) of the Internal Revenue Code, the Paying Agent making payment of interest or principal on securities may be obligated to withhold a percentage of the payment to a holder who has failed to furnish the Registrar with a valid taxpayer identification number, certification that the number supplied is correct, and that the holder is not subject to backup withholding. Holders of the bonds who wish to avoid the application of these provisions should submit either a completed IRS (Internal Revenue Service) Form W-9 (use only if the holder is a U.S. person, including a resident alien), or the appropriate form W-8 (use only if you are neither a U.S. person or a resident alien), when presenting the bonds for payment. See IRS Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities. Publication 515 and W-8 forms and instructions are available through the IRS via their web site at www.irs.gov.



SAN DIEGO CALIFORNIA TOBACCO SETTLEMENT REVENUE FUNDING
CORPORATION

By: Wells Fargo Bank, N.A. as Agent

Publication Date: May 1, 2012