

INDIANA OFFICE OF THE ATTORNEY GENERAL
NON-PARTICIPATING MANUFACTURER
CORPORATE SURETY BOND

Required pursuant to Indiana Code 24-3-5.4-13.6

1. Manufacturer Name (Provide legal and operating names)	2. Manufacturer Mailing Address
3. Manufacturer Street Address	4. Manufacturer Federal EIN
5. Corporate Surety name and contact information	6. Type of Bond <input type="checkbox"/> Initial <input type="checkbox"/> Renewal
7. I am required to post this bond because: <input type="checkbox"/> I am a newly qualified Non-Participating Manufacturer. <input type="checkbox"/> I am a Non-Participating Manufacturer deemed an "elevated risk".	8. The amount of this bond is: <input type="checkbox"/> Fifty Thousand Dollars (\$50,000) <input type="checkbox"/> _____ (\$_____)
9. Bond Effective Date:	10. Bond Number:

11. We, the manufacturer and corporate surety, agree to all terms and conditions of the bond as listed on pages 2-3 of this form.

We witness our hands and seals on this _____ day of _____, 20____.

Signed, sealed, and delivered in the presence of:

12. Authorized representative for manufacturer:

13. Authorized representative for corporate surety:

Signature

Signature

Printed Name

Printed Name

Title

Title

14. Business seal of non-participating manufacturer:

15. Business seal of corporate surety:

(Affix manufacturer business seal)

(Affix corporate surety seal)

No Business Seal (check box, complete #16)

16. Witnesses:

Signature, Witness 1

Signature, Witness 2

Printed Name, Witness 1

Printed Name, Witness 2

Terms and Conditions of this Bond

1. Bases: The manufacturer party to this bond, identified in items 1 through 3, is a manufacturer of tobacco products, is not party to the Master Settlement Agreement, and sells or intends to sell tobacco products in or into the State of Indiana. The manufacturer is required to post this bond because it has never been listed on the State of Indiana Directory of Compliant Non-Participating Manufacturers (“Directory”), or has previously submitted a certification, pursuant to Indiana Code § 24-3-5.4-13, and has subsequently been deemed a manufacturer at elevated risk for non-compliance with the Indiana escrow statutes. Item 3 states the location at which it manufactures its product.

The corporate surety, identified in item 5, is a corporation authorized to transact such business in the State of Indiana. The manufacturer of tobacco products and the corporate surety are required to comply with all applicable provisions of Ind. Code §§ 24-3-3, *et seq.*, 24-3-5.4 *et seq.*, and the rules and regulations pursuant thereto. This bond jointly and severally binds the non-participating manufacturer and the corporate surety individually, and through its employees, officers, heirs, executors, administrators, successors, and assigns.

2. Effective date of the bond: This bond is effective when the Indiana Office of the Attorney General accepts this bond; notice will be made to the manufacturer. The effective date of the bond is stated in item 9 of this bond. If, however, no date is listed, the date of execution in item 11 will be listed as the effective date.

3. Liability: The manufacturer, as the entity who sells or intends to sell tobacco products in or into Indiana and does not participate in the Master Settlement Agreement, agrees to deposit funds into a qualified escrow fund for each “unit sold” for which it is liable pursuant to Indiana Code 24-3-3-12. Until all obligations accrued under Indiana Code 24-3-3-13 have been fully satisfied, this bond remains in full force and effect for the manufacturer identified herein. Failure to make the required deposits shall result in the forfeiture of this bond in an amount equal to all funds due under Indiana Code 24-3-3-13, plus any applicable penalties, costs, fees, and interest owing the State of Indiana.

4. Effectiveness of bond: For a “newly qualified non-participating manufacturer,” as defined in Ind. Code § 24-3-5.4-6.5 and identified on this bond in items 1 through 3, this bond shall remain in effect for one (1) year. The Office of the Attorney General may require renewal of the bond for up to three (3) additional years. Furthermore, such bond may be extended if the manufacturer is deemed to pose an elevated risk for non-compliance as defined in Ind. Code § 24-3-5.4-13.6(a).

For manufacturers currently or previously listed on the Directory and subsequently deemed to pose an elevated risk for non-compliance, this bond shall remain in effect for the year in which the most recent certification required under Ind. Code § 24-3-5.4-13 is filed, and the next succeeding calendar year. At the expiration of the succeeding calendar year, the Office of the Attorney General will reassess the manufacturer’s elevated risk status.

5. Compliance: If the manufacturer complies with all provisions of Indiana Code 24-3-3, *et seq.* and Ind. Code § 24-3-5.4 *et seq.*, and any rules or regulations adopted subsequently thereto, at the expiration of the relevant statutory time period, this obligation shall be null and void. If the manufacturer or the corporate surety, however, does not comply faithfully in all respects with such laws, rules, and regulations identified in this paragraph, this bond will remain in full force and effect.

6. Changes While Bond is in Effect: This bond extends and applies to any change that requires the manufacturer to file for a new or amended certification.

7. Action by the State of Indiana: The manufacturer and the corporate surety, identified herein, waive any right or privilege that the State of Indiana must first start an action or otherwise exhaust remedies against either the manufacturer or the corporate surety before pursuing such remedies. If the manufacturer or the corporate surety breach any condition of this bond, the State of Indiana may pursue remedies against the manufacturer and/or the corporate surety.

8. Relief of the Corporate Surety: The corporate surety may cancel this bond at any time by giving written notice of the cancellation by registered mail to the Office of the Attorney General and to the manufacturer. All liability thereunder shall terminate sixty (60) days after receipt of the notice by the Office of the Attorney General, except that the liability of the manufacturer and corporate surety shall apply as provided herein to any acts or omissions which occurred prior to the effective date of the cancellation.

In the event that the corporate surety elects to cancel this bond, manufacturer must secure an alternative bond by the expiration of the aforementioned sixty (60) day period. Failure to secure a supplemental bond will result in immediate notice of removal of the manufacturer from the Directory; manufacturer and corporate surety shall remain liable for all obligations accrued prior to the effective date of the bond cancellation.

9. Relief of the Manufacturer: If the manufacturer no longer wishes to sell its product in or into the State of Indiana, upon voluntary removal of the manufacturer’s brand families from the Indiana Attorney General’s Directory of Compliant Non-Participating Manufacturers and satisfaction of any escrow obligation accrued under Indiana Code 24-3-3-12, the manufacturer may cancel this bond. All liability thereunder shall terminate upon full satisfaction of the escrow obligation, except that the liability of the manufacturer and corporate surety shall apply as provided herein to any acts or omissions which occurred prior to the effective date of such cancellation.