



**STATE OF TENNESSEE**  
**Office of the Attorney General and Reporter**  
**Revenue Section**  
**Tobacco Enforcement Division**  
Post Office Box 20207  
Nashville, TN 37202-0207

Bond Number: _____
Effective Date: _____

**NON-PARTICIPATING MANUFACTURER BOND**

STATE OF _____
COUNTY OF _____
_____ Surety's Identification Number (FEIN #)

Know All Men By These Presents:

Greeting:

That we, \_\_\_\_\_  
*(If a partnership, name each member of partnership and address.)*

\_\_\_\_\_, as Principal, and

\_\_\_\_\_, as Surety,  
*(Insert corporate name and address of surety company.)*

are jointly and severally held and bound unto the State of Tennessee, for the use and benefit of the State of Tennessee, in just and penal sum of the greater of:

One Hundred Thousand Dollars (\$100,000.00) – OR –

\_\_\_\_\_ (greatest required escrow deposit due for any of the twelve preceding calendar quarters).

Whereas, the conditions of this obligation are such that the above bounden principal, a Non-Participating Manufacturer, as defined by Tenn. Code Ann. § 67-4-2601(6), is required under the provisions of Tenn. Code Ann. § 67-4-2602(d), as amended, to post a bond written in favor of the State of Tennessee as a condition precedent to being included in, or retained on, the State of Tennessee's Directory of Approved Tobacco Product Manufacturers, and which shall be conditioned on the performance by the Non-Participating Manufacturer of all of its duties and obligations under Title 67, Chapter 4, and the Tennessee Tobacco Manufacturers' Escrow Fund Act of 1999, compiled in Title 47, Chapter 31. This bond shall remain in full force and effect from the date posted;

Whereas, if the Non-Participating Manufacturer fails to perform duties and obligations on which this bond is conditioned, the State of Tennessee shall be authorized to execute on this bond fifteen days

following the due date for the quarterly escrow deposit to recover any amounts the Non-Participating Manufacturer failed to place into escrow as required by the Tennessee Tobacco Manufacturers' Escrow Fund Act of 1999. The State may deposit the funds collected in the state treasury and reduce the amount of escrow due from that Non-Participating Manufacturer by the amount collected. The State may also execute on the bond to recover penalties and attorneys' fees under said Act and pursuant to Title 67, Chapter 4 if the State obtains a judgment against the non-participating manufacturer for failing to make an escrow deposit. Funds collected from such bonds shall be counted first towards the amount of escrow due but not deposited into escrow by the Non-Participating Manufacturer.

It is hereby agreed and understood by the surety on this bond:

- (1) That action may be maintained on said bond against said surety without making the principal a party thereto, same being a joint and several obligation.
- (2) The surety upon this bond shall have the right to terminate the liability upon giving to the State of Tennessee sixty (60) days notice by registered mail of its intention to so terminate, but said surety shall remain liable for all sums due under the provisions of this bond up to and including the effective date of such termination of liability.
- (3) This bond is continuous and remains in full force and effect from the date this bond is posted or such time as either principal or surety requests that liability be terminated. Said request shall be granted in the manner set out in the paragraph directly preceding this paragraph.

Witness our signature on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_, Principal,

By \_\_\_\_\_

\_\_\_\_\_, Surety,

By \_\_\_\_\_

*(If signed by attorney in fact, attach a copy of written authority.)*

Place Notary seal above.

(If a partnership, each member of partnership must sign below):

\_\_\_\_\_

\_\_\_\_\_

Subscribed and sworn to before me on this day of \_\_\_\_\_, in the County of \_\_\_\_\_, in the State of \_\_\_\_\_.

Signature of Notary Public

Commission Expires