

**2001 Georgia Certificate of Nonparticipating
Manufacturer Regarding Escrow Payment**

Part 1: Manufacturer's identification

- 1. Name: _____
- 2. Street address: _____
- 3. City, state, country, ZIP: _____
- 4. Telephone number: _____
- 5. Electronic mail address: _____

Part 2: Liability year

Complete only one year of liability on this form.

- 6. The liability year for this certificate is 2001.

Part 3: Units sold

- 7. Number of individual cigarettes sold by the manufacturer identified above during the liability year bearing Georgia cigarette tax stamps is as follows: 7 _____

Part 4: Deposit amount

Use and adjust the rates listed below to figure the appropriate deposit amount.

For the liability year: 1999, the rate per cigarette is..... \$ 0.0094241
2000, the rate per cigarette is..... 0.0104712
2001, through 2002, the rate per cigarette is... 0.0136125
2003, through 2006, the rate per cigarette is.... 0.0167539
2007 and thereafter, the rate per cigarette is.... 0.0188482

- 8. The appropriate rate for the liability year is: 8 _____
- 9. The deposit subtotal is: 9 _____
(Multiply the units in Line 7 by the rate in Line 8 and enter the result on Line 9)
- 10. The appropriate inflation adjustment for the sales year is: 10 _____
(For payments due April 15, 2002, multiply the deposit subtotal in Line 9 by 9.6830623% or .096830623 and enter the result on Line 10.)
- 11. The total amount paid into the qualified escrow account by the manufacturer identified above for the liability year is: 11 _____
(Add the deposit subtotal in Line 9 and the inflation adjustment amount in Line 10 and enter the result on Line 11.)

Note: Attach a copy of your receipt or other proof of deposit from your financial institution.

Part 5: Financial institution

- 12. Name: _____
Street address: _____
City, state, country, ZIP: _____

- 13. Escrow account number: _____ Total amount held for Georgia \$ _____

Note: Attach a copy of your escrow agreement with your financial institution.

Part 6: Signature

Under penalties of perjury, I state that, to the best of my knowledge, all of the information contained in this certificate is true and accurate. This document must be signed and dated by an authorized notary public.

Sworn to and subscribed before
me this ___ day of _____, 20 ___

Print the name of authorized agent Title

Signature of Notary Public

Signature of authorized agent Date

City / State: _____

My commission expires ____/____/____

MAIL THIS CERTIFICATE TO:
Consumer Interests Section
Georgia Department of Law
40 Capitol Square, SW
Atlanta, Georgia 30334-1300

Instructions Certificate of Nonparticipating Manufacturer Regarding Escrow Payment General Information

What is the definition of a cigarette

A cigarette manufacturer is defined as:

- any entity that manufactures cigarettes anywhere that such manufacturer intends to sell in the United States, including cigarettes that are intended to be sold in the United States through an importer;
- the first purchaser anywhere for resale in the United States of cigarettes manufactured anywhere that the manufacturer does not intend to be sold in the United States; or
- a successor of any entity described above.

Who is required to file this certificate?

If you are a cigarette manufacturer:

- who sells cigarettes to consumers within the state of Georgia (whether directly or through any distributor, retailer, or similar intermediary); and
- who has not become a participating manufacturer of the tobacco Master Settlement Agreement you must file this certificate to report the units of cigarettes you sold and pay the amount calculated into your qualified escrow fund.

What is a nonparticipating manufacturer?

A nonparticipating manufacturer is any cigarette manufacturer who has not signed onto the tobacco Master Settlement Agreement executed on 11/23/98 between 46 U.S. States and certain tobacco companies.

What is a qualified escrow fund?

You are required to establish a qualified escrow fund. This means an escrow arrangement with a federally or State-chartered financial institution having no affiliation with any tobacco product manufacturer and having assets of at least \$1,000,000,000, where such arrangement

- (1) requires that the financial institution hold the escrowed funds' principal to satisfy judgements obtained by "releasing parties" as defined in the Master Settlement Agreement, or 25 years, whichever occurs first, and
- (2) prohibits you from using, accessing, or directing the use of the funds' principal during such period. For a sample agreement, contact the Dept. of Law.

When is this certificate due?

This certificate must be filed on or before April 15 of the year following the liability year (e.g. 2001 liability year is due on or before April 15, 2002.)

Note: The liability year for 1999 is April 28, 1999, through December 31, 1999. After December 1999, the liability year is a calendar year, from January 1 through December 31.

When must I make my escrow payment?

You must deposit all escrow payments into your qualified escrow fund on or before April 15 of the year following the liability year. After you have made your deposit, forward a copy of your receipt or other proof of deposit from your financial institution.

Where do I send my completed certificate?

Mail your completed certificate and proof of payment to the Consumer Interests Section at the address below.

Georgia Department of Law
40 Capitol Square, SW
Atlanta, Georgia 30334-1300

Specific Instructions

Part 1: Manufacturer's identification

Lines 1,2,3,4 and 5-Write your name, address, telephone number and electronic mail address.

Part 2: Liability year

Line 6-Write the liability year. The liability year for 1999 is April 28, 1999, through December 31, 1999. After December 1999, the liability year is a calendar year, from January 1 through December 31.

Part 3: Units sold

Line 7 Write the number of **individual cigarettes** sold during the liability year bearing Georgia cigarette tax stamps. A "unit sold" means the number of individual cigarettes sold in Georgia by your company, whether directly or through a distributor or other intermediary, during the liability year, as measured by excise taxes collected by the state on cigarette packs. A unit is sold in Georgia if the State's excise tax was collected on the cigarette pack, irrespective of the state in which the entity paying the tax is located and irrespective of whether that state has enacted a statute similar to O.C.G.A. § 10-13-1, *et seq.* Georgia does not collect excise tax on "roll-your-own" tobacco.

Part 4: Deposit amount

Line 8-Write the appropriate rate for the liability year.

Line 9-Multiply the units sold (Line 7) by the rate for the liability year (Line 8) and write the result as your subtotal on Line 9.

Line 10 Calculate the appropriate inflation adjustment For the year 2001, multiply the deposit subtotal (Line 9) by 9.6830623%. Enter the result on Line 10. For more information on the inflation adjustment, see Exhibit C to the Master Settlement Agreement.

Line 11 Add the deposit subtotal (Line 9) and the inflation adjustment (Line 10). Enter the result on Line 11. This is the amount to be paid into your escrow account for the applicable liability year.

Part 5: Financial Institution

Lines 12 & 13 Write the name and address of the financial institution holding your escrow account. Include your escrow account number on Line 13. Write the total accumulative amount currently held in your escrow account for the benefit of the State of Georgia.

Part 6: Signature

An authorized notary public must also sign and date this certificate.