

#### STATE OF NEVADA

#### OFFICE OF THE ATTORNEY GENERAL

5420 Kietzke Lane, Suite 202 Reno, Nevada 89511

## NON-PARTICIPATING MANUFACTURER SURETY BOND

FORM BOT-TOB4

| STATE OF  | BOND NUMBER  |
|---|--|
| COUNTY/CITY OF  | -  |
| KNOW ALL PEOPLE BY THIS DOCUMENT that we,               |  |
| Name of Principal                                       |  |
| of  |  |
| Address of Principal                                    |  |
| as Principal; and                                       |  |
| Name of Surety  |  |
| of  |  |
| Address of Surety                                       |  |
| as surety company authorized to transact business in    | the State of Nevada, are held and firmly bound unto th |
| STATE OF NEVADA, as Obligee, in the full and just sum   | ı of:  |
| THOUSAND DOLLAR   | S AND CENTS,   |
| Amount in Words   | Amount in Words  |
| , for which payment we Amount in Figures                | hereby bind ourselves, our heirs, administrators,      |
| executors, successors and assigns firmly by this docume | ent.   |

# THE CONDITION OF THIS OBLIGATION IS SUCH THAT

WHEREAS, the principal is subject to Title 32, Chapters 370 and 370A of the Nevada Revised Statutes ("NRS"), and pursuant to Title 32, Chapters 370 and 370A of the NRS, this surety bond is required; and

WHEREAS, under NRS 370.682(1), "[a] nonparticipating manufacturer shall post a bond approved by the Attorney General for the benefit of the State of Nevada if:

- (a) The cigarettes of the nonparticipating manufacturer have not been sold in this State during any of the 4 immediately preceding calendar quarters;
- (b) The nonparticipating manufacturer or an affiliate failed to make a full and timely escrow deposit due under [Chapter 370] or [Chapter 370A] of the NRS during any of the immediately preceding 5 calendar years, unless the failure was neither knowing nor reckless and was promptly cured upon notice; or
- (c) The nonparticipating manufacturer or an affiliate, or any of the brand families of the nonparticipating manufacturer or an affiliate, were removed from the directory of this or any other state during any of the immediately preceding 5 calendar years, unless the removal is determined to have been erroneous or illegal; and

WHEREAS, under NRS 370.682(2) "the bond must be posted not less than 10 days before the beginning of each calendar quarter as a condition of the nonparticipating manufacturer and its brand families being included in the directory for that quarter. The amount of the bond must be the greater of \$25,000 or the largest required escrow amount due from the nonparticipating manufacturer or its predecessor for any of the immediately preceding 12 calendar quarters."

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NOW THEREFORE, if the principal shall comply with all the provisions of Title 32, Chapters 370 and 370A of the NRS, and any amendments to these Chapters, and in particular, payment of escrow, penalties, and interest, promptly when due, including escrow, penalties, and interest which are now due and those which may become due, then the surety shall have no obligation to perform under this bond.

Upon failure of the principal to comply with any or all of the provisions of Title 32, Chapters 370 and 370A of the NRS, and any amendments to these Chapters including the principal's failure to pay all escrow, interest, and penalties promptly when due, the Nevada Office of the Attorney General may make demand on the surety for the payment of the amount of the unpaid escrow, interest, and penalties by said principal up to, but not to exceed the amount of the surety's liability as defined by this bond, including any costs and attorney's fees incurred during the collection process.

The surety is assuring to the Nevada Office of the Attorney General, the principal's full compliance with Title 32, Chapters 370 and 370A of the NRS, and with any amendments to these Chapters. All terms, conditions, and provisions of these Chapters shall be deemed to be incorporated in and made part of this bond as if fully set forth in full herein.

This bond shall become effective on the \_\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at twelve and one minute o'clock A.M., Pacific Time., and continue in effect until the surety withdraws by giving written notice to the Nevada Office of the Attorney General, Tobacco Enforcement Unit, 5420 Kietzke Lane, Reno, Nevada 89511, provided however, that no withdrawal shall be effective for any purpose until 30 days has elapsed from the receipt of the written notice by the Nevada Office of the Attorney General, Tobacco Enforcement Unit. Furthermore, no withdrawal shall in anyway affect liability of the surety arising out of any actions or inactions made by the principal prior to receipt of the written notice by the Nevada Office of the Attorney General and expiration of the 30 day period.

| IN WITNE      | SS WHEREOF, the principal and sure | ty have ex | xecuted this instrument at |
|---------------|------------------------------------|------------|----------------------------|
| Address       |                                    |            |                            |
| this          | day of                             | , 20       |                            |
| Principal     |                                    |            | Surety                     |
| Ву            |                                    |            | Ву                         |
| Signed and ac | cknowledged by Surety's agent      |            | before me                  |
| this          | day of                             | , 20       |                            |
| My Commission | on expires:                        |            |                            |
| Notary Pu     | ublic                              |            |                            |
| Approved by:  | Attorney General or Designee       |            |                            |

NOTE: The State of Nevada will not process incomplete or illegible forms.

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When completed, this bond should be mailed to:

Nevada Attorney General's Office Tobacco Enforcement Unit 5420 Kietzke Lane Reno, NV 89511

#### I. INFORMATION FOR THE PREPARATION AND EXECUTION OF THIS BOND

- A. The legal name of Principal on the bond should be fully and correctly stated and should precisely agree with the name of the non-participating manufacturer on its local business license or articles of incorporation.
- B. The name in which business is conducted should follow the name or names of the Principal where the non-participating manufacturer does business under a fictitious name.

#### II. EXECUTION BY PRINCIPAL

If the Principal of this bond is:

- A. An individual: This bond must be signed by the Principal.
- B. A partnership: This bond must be executed in the name of the partnership, and must be signed by at least one of the partners.
- C. A corporation: This bond must be executed in the name of the corporation, and signed by its President or Vice President, with an impression of corporate seal affixed, and attested to by the Secretary or Assistant Secretary of the corporation.

# **III. EXECUTION BY SURETY**

- A. This bond must be executed by a properly authorized person, whose title must be shown, with an impression of the corporate seal of the Surety affixed.
- B. Attach an original or certified copy of Power-of-Attorney authorizing the execution.