



CALIFORNIA TOBACCO MANUFACTURER AND IMPORTER SURETY BOND

STATE OF _____ BOND NUMBER _____

COUNTY/CITY OF _____

KNOW ALL PEOPLE BY THIS DOCUMENT that we,

(Name of Principal)

of _____

(Address of Principal)

as Principal, doing business at

(Street address of Principal - no P.O. Boxes)

And _____

(Name of Bonding Company)

Of _____

(Street address of Bonding Company)

as Surety authorized to transact business in California, are held and firmly bound unto the STATE OF CALIFORNIA, as Obligee, in the full

and just sum of _____ THOUSAND DOLLARS AND _____ CENTS,

(\$ _____), for which payment we hereby bind ourselves, our heirs, administrators, executors,

successors and assigns firmly by this document.

Principal check all that apply:

WHEREAS, pursuant to California Revenue and Taxation Code section 30165.1(c)(4), to be listed on the California Tobacco Directory, a newly qualified or "elevated risk" nonparticipating manufacturer, or the United States importer of a newly qualified or "elevated risk" nonparticipating manufacturer that undertakes joint and several liability for the manufacturer's performance in accordance with California Revenue and Taxation Code section 30165.1(c)(4)(A), must post a bond in favor of the State of California, conditioned upon the performance by the nonparticipating manufacturer and, if applicable, its United States importer, of all of its escrow deposit duties and obligations under Article 3 (commencing with § 104555) of Chapter 1 of Part 3 of Division 103 of the Health and Safety Code, for all penalties assessed in accordance with Article 3 (commencing with § 104555) of Chapter 1 of Part 3 of Division 103 of the Health and Safety Code and regulations adopted pursuant to these laws, for payment of all fees, costs, attorney's fees, penalties, and refunds imposed or required under California Revenue and Taxation Code section 30165.1, including, but not limited to, all refunds resulting from the removal of the manufacturer or any of its brand families from the directory, and payment of all state taxes for the sale or distribution of cigarettes and tobacco products in this state during the year in which the certification is filed and the next succeeding calendar year.

NOW, THEREFORE, the condition of this obligation is such that if the above-named nonparticipating manufacturer and, if applicable, its importer, as Principal, shall faithfully and truly fulfill all of its duties and obligations under Article 3 (commencing with § 104555) of Chapter 1 of Part 3 of Division 103 of the Health and Safety Code and regulations adopted pursuant to these laws, and California Revenue and Taxation Code section 30165.1, then this obligation shall be void, otherwise it shall remain in full force and effect.

WHEREAS, pursuant to California Business and Professions Code section 22979(a)(4), to be eligible for obtaining and maintaining a license to engage in the sale of cigarettes, a manufacturer or importer, in lieu of waiving any sovereign immunity defense that may apply to any enforcement action brought by the Attorney General or the Board of Equalization to enforce Division 8.6 of the Business and Professions Code, sections 104555 to 104557, inclusive, of the Health and Safety Code, or Part 13 (commencing with section 30001) of Division 2 of the Revenue and Taxation Code, and regulations adopted pursuant to these laws, must post a bond in favor of the State of California, conditioned upon the performance by the manufacturer or importer of all its duties and obligations under this division, sections 104555 to 104557, inclusive, of the Health and Safety Code, Part 13 (commencing with section 30001) of Division 2 of the Revenue and Taxation Code, and regulations adopted pursuant to these laws.

NOW, THEREFORE, the condition of this obligation is such that if the above-named manufacturer and, if applicable, its importer, as Principal, shall faithfully and truly fulfill all of its duties and obligations under division 8.6 of the Business and Professions Code, sections 104555 to 104557, inclusive, of the Health and Safety Code, Part 13 (commencing with section 30001) of Division 2 of the Revenue and Taxation Code, and regulations adopted pursuant to these laws, then this obligation shall be void, otherwise it shall remain in full force and effect.



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PROVIDED, HOWEVER, this bond is issued subject to the following express conditions:

1. This bond is executed by the Principal to comply with the above-described provisions, and said bond shall be subject to all of the terms and conditions thereof.
2. The aggregate accumulated liability of the Surety under this bond shall in no event exceed the penal sum named herein, for any and all claims which may accrue during the term thereof.
3. This bond may be cancelled by the Surety in accordance with Article 13 (commencing with section 996.310), Chapter 2, Title 14, Part 2 of the Code of Civil Procedure.
4. This bond shall become effective on the _____ day of _____, 20_____, at twelve and one minute o'clock A.M., Pacific Time, and continues in effect until the Surety withdraws from this bond by giving 60 days advance written notice by registered mail to the Tobacco Litigation and Enforcement Section, Office of the Attorney General, P.O. Box 944255, Sacramento, California, 94244-2550, provided such withdrawal shall not release said Surety from any liability existing hereunder at the time of the effective date of the said withdrawal, and further provided that said 60 days shall begin to run on the day following receipt of notice by the Tobacco Litigation and Enforcement Section, Office of the Attorney General.
5. More particularly, all obligations existing on the effective date of Surety's withdrawal, including but not limited to escrow obligations, penalties, costs of investigation and attorneys' fees, shall continue to be protected by this bond, even though no cause of action has accrued at the time of the withdrawal, until the running of the statute of limitations on actions claiming against this bond.

Signed, sealed and dated this _____ day of _____, 20 _____.

Principal (SEAL)

Surety (SEAL)

By _____

By _____

Signed and acknowledged by Surety's agent _____ before me
this _____ day of _____, 20 _____.

My Commission expires: _____

Notary Public

Approved by: _____
Attorney General or designee



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When completed, this bond should be mailed to the Tobacco Litigation and Enforcement Section, Office of the Attorney General, P.O. Box 944255, Sacramento, California 94244-2550.

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 applicant on its local business license or articles of incorporation (any material variation may delay acceptance of bond).
- B. The name in which business is conducted should follow the name or names of the Principal where the applicant does business under a fictitious name.

Examples:

Individual operating in own name: "Henry Smith"

Individual owner operating in another name: "Henry Smith d/b/a/ City Extended Contract Provider"

Partners operating in another name: "John Doe, Richard, Doe, and Mary Doe d/b/a Contract Provider"

Corporation operating in own name: "Chase Company (a corporation)"

Corporation operating in another name: "John Doe Enterprises, Inc. d/b/a Superior Contract Provider"

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 said execution.