

STATE OF VERMONT
ANNUAL Certificate of Compliance by Non-Participating Manufacturer
Annual Escrow Payment for Sales in 2017

GENERAL INFORMATION AND INSTRUCTIONS

Who is required to file this Annual Certificate of Compliance?

- Any tobacco product manufacturer that:
 - (1) sells cigarettes within the State of Vermont (whether directly or through any distributor, retailer, or similar intermediary) and
 - (2) has not become a participating manufacturer in the tobacco Master Settlement Agreement executed on 11/23/98 (the MSA).

*If you satisfy these requirements, you must file this Annual Certificate of Compliance to report the units of cigarettes manufactured by you and sold in the State of Vermont during the sales year and pay the amount calculated into your qualified escrow fund. NOTE: If you are required to make quarterly escrow payments and to file a Quarterly Certificate of Compliance, you must **ALSO** file an Annual Certificate of Compliance.*

What is a Non-Participating Manufacturer?

A Non-Participating Manufacturer (NPM) is any tobacco product manufacturer who has not signed onto the Master Settlement Agreement (MSA).

What is a Qualified Escrow Fund?

A Non-Participating Manufacturer that is required to file this Annual Certificate of Compliance must establish a Qualified Escrow Fund. This means an escrow arrangement with a U.S. federal or U.S. 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 for the benefit of the State of Vermont (and possibly other "Releasing Parties" as defined in the MSA) and (2) prohibits the non-participating manufacturer from using, accessing, or directing the use of the funds' principal except as consistent with 33 V.S.A. Chapter 19, Subchapter 1A.

When is this Annual Certificate of Compliance due?

This Annual Certificate of Compliance is due on or before April 30th of 2018 for 2017 sales that are subject to escrow.

When must I make my Escrow Payment?

You must deposit all escrow payments into your Qualified Escrow Fund on or before April 15, 2018. After you have made your deposit, forward a copy of your receipt or other proof of deposit from your financial institution, along with this signed and notarized Annual Certificate of Compliance, to the Office of the Attorney General of the State of Vermont.

SPECIFIC INSTRUCTIONS

Part 1: Manufacturer's Identification. Identify your name, physical address, mailing address and website address if there is a website. Indicate the name and title of the individual completing the certificate and identify his/her email address and telephone and fax numbers.

Part 2: Units Sold. Write the number of individual cigarettes and units of "roll-your own" (RYO) tobacco manufactured by you and sold during 2016 in Vermont. (Units = Ounces divided by .09)

Part 3: Escrow Rate and Payment. Multiply the number of individual cigarettes and units of RYO sold in 2017 by .0337416, the per-stick escrow deposit rate.

Part 4: Financial Institution. Write the name and address of the financial institution holding your escrow account. Include your escrow account number. Also, write the total cumulative amount currently in your escrow account for the benefit of the State of Vermont. Proof of deposit must be provided to the Attorney General.

Part 5: Signature. This form must be signed and dated by an officer or director of your company and that person's name and title must be legibly printed. An authorized notary public must also sign and date this Annual Certificate of Compliance.

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Part 1: Manufacturer's Identification

Name: _____

Physical Address: _____

Mailing Address: _____

Website Address: _____

Name/Title of Person Completing Certificate:

Phone: _____ Fax: _____ Email: _____

Part 2: Units Sold

Number of individual cigarettes and "units" of roll-your-own tobacco, sold in Vermont by the Manufacturer identified above during 2017 is: _____
(*"Units = Ounces divided by .09"*)

Part 3: Escrow Rate and Payment

The per/stick escrow deposit rate for 2017 sales is \$ 0.0337416.

The Total Amount due for deposit to the Qualified Escrow Fund by the Manufacturer identified above for 2017 is: \$ _____
(*Multiply number from Part 2 by .0337416 to calculate the appropriate Total Amount due*)

The amount that has already been paid into the Qualified Escrow Fund by the Manufacturer identified above for 2017 is: \$ _____
(*Add amounts of quarterly payments previously made for 2017 sales*)

Amount due April 15, 2018: \$ _____
(*Subtract amount previously paid for sales year 2017 from Total Amount due*)

NOTE: Attach proofs of deposit from your financial institution if not previously submitted, and copies, if any, of amendments to your escrow agreement. Note also: You must also file a TPM Certificate annually and have filed a copy of your escrow agreement to be eligible to sell your product in Vermont.

Part 4: Financial Institution

Name of Institution: _____

Address: _____

Escrow Account Number: _____

Total amount held for the State of Vermont: \$ _____

Part 5: Signature

Under penalty of perjury, I state that, to the best knowledge, all of the information contained in this Annual Certificate of Compliance is true and accurate. *This Annual Certificate of Compliance must also be signed and dated by an authorized notary public.*

Name/Title of Authorized Agent: *(Must be an officer or director of the Manufacturer)*

Name: _____ Title: _____

Signature of Authorized Agent: _____

Date: _____

Subscribed and sworn to before me on this date: _____ in the City

or County of _____, State of _____,

Country of _____.

Signature of Notary Public: _____

My Commission expires: _____

Mail this Certificate of Compliance to:

**Tobacco Enforcement Unit
Office of the Attorney General
109 State Street
Montpelier, VT 05609-1001
ago.tobaccoenforcement@vermont.gov**

Revised February 21, 2018