

**NON-PARTICIPATING MANUFACTURER BOND**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

\_\_\_\_\_  
Surety's Identification Number

Know All Men By These Presents:

Greeting:

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

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

\_\_\_\_\_, 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 One Hundred Thousand Dollars (\$100,000.00).

Whereas, the conditions of this obligation are such that the above bounden principal, a non-participating manufacturer, as defined by Tennessee Code Annotated section 67-4-2601(6), and who is not currently listed in the directory of approved tobacco manufacturers for the State of Tennessee, is required under the provisions of Tennessee Code Annotated section 67-4-2602(d), as amended, to post a bond written in favor of the State of Tennessee as a condition precedent to directory listing, 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 for twenty-four (24) months 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 first 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, then to recover penalties and attorneys' fees under said Act and pursuant to Title 67, Chapter 4;

Now, therefore, if the above bounden principal shall faithfully perform 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, and shall well and truly comply with all of said laws and any rules and regulations pursuant thereto or promulgated thereunder, then this obligation shall be null and void; otherwise to remain in full force and effect for a period of twenty-four (24) months from the date posted.

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 before the twenty-four (24) month period expires, 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 until the expiration of twenty-four (24) months from the date this bond is posted or such time as either principal or surety requests that liability be terminated, and the 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.)*

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

\_\_\_\_\_  
\_\_\_\_\_