State of Illinois Certification of Non-Participating Manufacturer

Please Review Instructions Prior to Completion.

Part 1: Liability Year and Type of Certification

Liability Year for this Certification: Complete a separate form for each liability year for which you are certifying. (check one)	☐	**2003**	☐	Other: _____
Type of Certification: (check one)	☐	Original	☐	Supplemental

Part 2: Manufacturer Identification

Company Name			FEIN
Mailing Address			
City	State	Zip Code	Country
Phone	Fax	Web Address	
Name and title of person completing this form			

Part 3: Brand Family Certification (Attach Brands Addendum pages as necessary)

The manufacturer identified in Part 2 is the fabricator of the brands listed below. ☐ Yes ☐ No

The undersigned manufacturer certifies, under penalty of perjury, as of the date of this certification, it is a Non-Participating Manufacturer (NPM) and is in full compliance with the Escrow Act and the Escrow Enforcement Act of 2003 as well as any regulations and quarterly installment payments. The undersigned NPM certifies that the following list is a complete list of all of its brand families which are to be deemed to be its cigarettes (including RYO product) for purposes of Section 15 of the Escrow Act. Include with your certification sample packaging for each brand family named.

Brand Family Asterisk (*) denotes brands which are no longer sold in Illinois	Check One	Report Units Sold in **Sticks** for Cigarettes and in **Ounces** for RYO		Name & address of manufacturer of brand family in the preceding calendar year if different from NPM identified in Part 2
		Units Sold in **Preceding Calendar Year**	Units Sold in **Current Calendar Year**	
	☐ Cigarette ☐ RYO			
	☐ Cigarette ☐ RYO			
	☐ Cigarette ☐ RYO			
	☐ Cigarette ☐ RYO			
	☐ Cigarette ☐ RYO			
	☐ Cigarette ☐ RYO			
	☐ Cigarette ☐ RYO			
Total of RYO Ounces				
Total of Cigarette Sticks				*Rev. 02/06/04*

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Part 4: Certification of Escrow Account and Agreement

The NPM certifies that it has established, and continues to maintain, a fully funded, qualified escrow account, pursuant to Section 15 of the Escrow Act.

Name of Financial Institution (Escrow Agent)		
Mailing Address		
City	State	Zip Code
Phone	Fax	
Contact Person	Contact E-Mail	
Escrow Account Number	Total amount held in this account for the State of Illinois	
Illinois Sub-Account Number	$	

Are funds held for the benefit of the State of Illinois in any account other than that listed above? ☐ Yes ☐ No

If you answered "yes," write the total amount of all funds which are being held in any account for the benefit of the State of Illinois, including the amount listed above. $

Has the Qualified Escrow Agreement been approved by the Attorney General? ☐ Yes ☐ No Approval Date _____

Attach an executed copy of your escrow agreement if it has not already been approved by the Attorney General.

Part 5: Worksheet for Cigarettes Sold During Liability Year

Total of RYO Ounces from Part 3	
RYO Stick Calculation (Divide RYO Ounces by .09)	
Total of Cigarette Sticks from Part 3	
Total NPM Sales (Add RYO Stick Calculation to Total of Cigarette Sticks)	

Refer to Worksheet at left to calculate the number of individual cigarettes bearing Illinois cigarette tax stamps, including roll-your-own tobacco (.09 ounces = 1 cigarette), which were manufactured by this manufacturer and sold in Illinois during this reporting period.

Liability Year Worksheet is for:

☐ **2003** ☐ Other: _____

Please convert pounds to ounces before using this worksheet. (Multiply by 16.)

Part 6: Deposit Amount

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

For the liability year 2003 through 2006, the rate per cigarette is . . . . . **.0167539**
Contact the Tobacco Unit for rates for previous years.

1	Enter the appropriate rate for the liability year.	**1**	
2	Multiply Line 1 by Total NPM Sales (Part 5) and write the amount.	**2**	
3	Multiply Line 2 by the inflation adjustment percentage and write the amount.	**3**	
	For 2003 liability period, the inflation adjustment percentage is 16.3627565 percent (multiplier of .163627565).		
4	Enter the total amount to be paid into the escrow account for this liability year by the manufacturer identified in Part 2 (the total of Lines 2 and 3).	**4**	**$**
5	Enter the total amount actually paid into the escrow account for this liability year.	**5**	**$**
6	Amount over/under-paid (Difference between Line 4 and Line 5.) **Provide explanation if not zero.**	**6**	**$**

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

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Part 7: Certification of Deposits, Withdrawals and Transfers

Attach separate page for each sub-account.

The NPM certifies the following to be a complete record of each deposit and withdrawal or transfer which has occurred from any and all accounts containing funds held for the benefit of the State of Illinois. Report ending balances of all such accounts, even where no deposits or withdrawals occurred. Attach copies of records of the financial institution documenting any account activity.

Illinois Sub-Account Number	Name of Financial Institution (Escrow Agent)

Date	Deposit Amount	Withdrawal or Transfer Amount	Explanation for Withdrawal or Transfer
Column Totals	**Deposits** $	**Withdrawals/Transfers** $	**Ending Balance for this Illinois Sub-Account** $

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Part 8: Designated Contact

Name			
Mailing Address			
City	State	Zip Code	Country
Phone	Fax	E-Mail	

Part 9: Manufacturer Certification

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

NPM Authorized Designee (Print Name) _____ Title _____

Signature of NPM Authorized Designee _____ Date _____

Subscribed and sworn to before me this date: _____ Signature of Notary Public _____

County _____ Commission Expires _____

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Checklist of required documents

- ☐ **NPM-1** Certification of Non-Participating Manufacturer
- ☐ **NPM-2** Certification of Appointment of Agent for Service of Process and attachments
- ☐ **Qualified Escrow Agreement** (unless previously approved)
- ☐ **Sample packaging** for each brand family identified in Part 3
- ☐ **Proof of Deposit** for Part 6
- ☐ **Bank records confirming deposits, withdrawals or transfers** for Part 7
- ☐ Any Brands Addendum pages for Part 3 Brand Family Certification
- ☐ Any Accounts Addendum pages for Part 7 Certification of Deposits, Withdrawals and Transfers

Mail to

Submit the completed certification and other required documentation to the Tobacco Enforcement Unit at this address:

Illinois Attorney General
Tobacco Enforcement Unit
500 South Second Street
Springfield IL 62706

For Additional Forms and Information

Phone (217) 785-8541
Fax (217) 524-4701
www.ag.state.il.us (Click on Tobacco.)

Instructions for Certification of Non-Participating Manufacturer

NPM-1
Instructions

General Information

What is a Non-Participating Manufacturer?
A Non-Participating Manufacturer (NPM) is any cigarette (including RYO) manufacturer who has not signed on to the tobacco Master Settlement Agreement (MSA).

Who must file this Certification?
Any Non-Participating Manufacturer whose cigarettes or roll-your-own tobacco (RYO) were sold in Illinois during the preceding calendar year or who intend for their brands to be listed as compliant in the Illinois Directory of Compliant Non-Participating Manufacturers. **If a brand is not listed in this certification, it will not be listed in the Directory.**

It is unlawful to stamp or offer for sale in the State of Illinois any cigarette or RYO brand which is not included in the Illinois Directory of Participating Manufacturers or Directory of Compliant NPMs. Non-Participating Manufacturers will receive written notification when their brands have been deemed compliant for sale in Illinois.

Brands of manufacturers which are listed on the Illinois Substantial Compliance List may be sold while the initial Directory is being compiled, so long as they remain compliant and are not removed from that list by the Attorney General.

What is a qualified escrow fund?
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 one billion dollars ($1,000,000,000) where such arrangement requires that the financial institution hold the escrowed funds' principal for the benefit of Releasing Parties and prohibits the Tobacco Product Manufacturer placing the funds into escrow from using, accessing or directing the use of the funds' principal except as consistent with the applicable NPM Statutes.

All funds shall be held by the Escrow Agent in sub-accounts separate and apart from all other funds and sub-accounts of each Beneficiary State, the Escrow Agent, and the Company.

When must I make my escrow payment?
You must deposit all escrow payments into your qualified escrow fund on or before April 15 each year. After you have made your deposit, provide a copy of your receipt or other proof of deposit from your financial institution, along with your escrow agreement, any amendments and this certification.

Updates required
The NPM shall update its certification list at least 30 days prior to any addition to or modification of the NPM's brand families by executing and delivering a supplemental certification to the Attorney General.

When is this Certification due?
This Certification must be filed with the Attorney General no later than April 30 of each year.

Where do I send my completed Certification?
Mail this completed Certification (NPM-1), the NPM-2 form (Certification of Appointment of Agent for Service of Process) and related documents to:

Office of the Illinois Attorney General
Tobacco Enforcement Unit
500 South Second Street
Springfield, IL 62706

For Additional Forms and Information
Phone (217) 785-8541
Fax (217) 524-4701
www.ag.state.il.us (Click on Tobacco.)

Specific Instructions

Part 1: Liability Year and Type of Certification
- Check appropriate liability year. You must submit a separate certification for each year you are certifying.
- If "Other" is checked, enter liability year for which certification is being provided.
- Check whether this is an original or supplemental certification.

Part 2: Manufacturer Identification
Provide your company name, address, phone, fax , web address, FEIN, and name and title of person completing the form.

Part 3: Brand Family Certification
- Fabricator: Entity that assembles the tobacco product for consumer use, i.e., assembles tobacco into cigarettes or packages RYO into bags, pouches, etc.
- Brand Family: Provide the brand name, which could include many brand styles (menthol, 100's, etc.). **Do not list each style in Part 3.**
- Identify each Brand Family of all cigarettes that the company intends to sell in Illinois, either directly or indirectly through any distributor, retailer or similar intermediary, and seeks to have included in the Directory.

- If more than one company manufactures a brand you are certifying (e.g., you manufacture only the RYO or only the menthol cigarettes, etc. for a given brand), provide a written explanation of which brand styles you manufacture. Identify the other manufacturer by name and address, and provide a list of brand styles they manufacture, if known. If the identity of the other manufacturer is unknown, provide the name and address of the trademark owner for the brand.
- Indicate by asterisk (*) brands which are no longer sold/offered for sale in Illinois.
- Check whether the product is cigarette or RYO.
- Where a brand is offered as both cigarettes and RYO, make a separate entry for each.
- Units sold: List the total RYO ounces and total cigarette sticks separately for both the preceding calendar year and the current calendar year (as of the date of certification).
- A Brands Addendum page is included with the certification packet and is available on the Attorney General's website. Where addendum pages are used, the total of units sold should be entered on the final addendum page.
- If you were not the manufacturer of a listed brand in the preceding year, identify by name and address the manufacturers of such Brand Families.
- Provide original packaging for one brand style which is representative of each brand family to be certified. Flat, empty cartons are preferred.

Part 4: Certification of Escrow Account and Agreement

- Identify the name, address, phone and fax number for the financial institution (escrow agent) where the NPM has established a qualified Escrow Fund pursuant to the Tobacco Products Manufacturers' Escrow Enforcement Act of 2003.
- Provide the name and e-mail address for a contact person at the financial institution.
- Escrow Account Number: Provide the account number for the main escrow account, if one exists.
- Illinois Sub-Account Number: Provide the account number for the Illinois sub-account to which a deposit or deposits have been made for the liability year identified in Part 5.
- Total amount held in this account for the State of Illinois: Amount held in the Illinois sub-account identified (in this part) as of the date of certification.
- If there are any other accounts held for the benefit of the State of Illinois, provide the total amounts held in these accounts (including the sub-account listed in Part 4) as of the date of certification.
- If your escrow agreement has been approved by the Attorney General under the Tobacco Products Manufacturers' Escrow Enforcement Act of 2003 (eff. Jan. 1, 2004), check "Yes" and provide the approval date.
- If your escrow agreement has not been approved by the Attorney General under the Tobacco Products Manufacturers' Escrow Enforcement Act of 2003, check "No" and attach an executed copy.

Part 5: Worksheet for Cigarettes Sold During Liability Year

Use the instructions in the worksheet to convert RYO product to sticks and combine it with the cigarette stick count for the liability year. The result of this calculation will be used to determine the deposit amount in Part 6.

Part 6: Deposit Amount

- Use Lines 1 through 4 to calculate the total amount to be paid into escrow for the liability year identified in Part 5.
- The amount listed on Line 5 should include the total of any quarterly, reconciliation, or other payments which have been made for the liability year identified in Part 5, as of the date of certification.
- The amount listed on Line 6 is the difference, if any, between the amounts listed on Line 4 and Line 5.
- Attach proof of deposit(s) from your financial institution. Proof must include the account number of the Illinois sub-account, the date of deposit, and the amount of deposit. Such proof can be submitted as a letter from the bank.
- Provide an explanation for any discrepancy between the amounts listed on Lines 4 and 5.

Part 7: Certification of Deposits, Withdrawals, and Transfers

- Use a separate page for each account or sub-account in which funds are held for the benefit of the State of Illinois.
- Identify the Illinois sub-account number and escrow agent (financial institution).
- Provide dates and amounts of deposits, withdrawals, and transfers for all activity prior to the date of certification.
- For ANY withdrawal or transfer, you must provide a brief explanation.
- For initial certification under the Tobacco Products Manufacturers' Escrow Enforcement Act of 2003, provide all deposit, withdrawal, or transfer activity (for each account) for the entire time each account has been funded.
- For any accounts where Illinois funds are NOT held separate and apart from that of other states, all activity must be reported, regardless of whether it involves funds held for the State of Illinois.
- An Accounts Addendum page is included with the certification packet and is available on the Attorney General's website.
- Provide records from the Financial Institution to document any account activity.

Part 8: Designated Contact

Provide the name, address, phone and fax numbers, and e-mail address for the individual the Attorney General should contact with respect to matters relating to this certification.

Part 9: Manufacturer Certification

The authorized designee executing the certification must be an officer, principal, director or other authorized representative of the manufacturer. The authorized designee's name and title must be legibly printed and **the signature must be notarized.**