



ACKNOWLEDGMENT OF RECEIPT & REVIEW OF NPM RESERVE FUND STATUTE, IMPLEMENTING REGULATIONS & FORMS

JUS-TOB 5 Rev. 02/04

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PRINT FORM

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QUARTER ENDING: _____

NOTE TO DISTRIBUTORS: YOU MAY STAMP AND SELL ONLY THE BRANDS OF MANUFACTURERS WHICH ARE LISTED ON THE ATTORNEY GENERAL'S DIRECTORY: [HTTP://CAAG.STATE.CA.US/](http://caag.state.ca.us/). PRODUCTS NOT LISTED ON THE DIRECTORY ARE CONTRABAND AND SUBJECT TO SEIZURE AND FORFEITURE

This Acknowledgment of Receipt & Review Form Is Not Valid Unless a stamp from the Attorney General's Office appears in the box below.

FOR OFFICIAL USE ONLY

A Copy of This Stamped Acknowledgment of Receipt & Review Form Must Be Provided to California Distributors And Wholesalers Which Sell Your Product.

PART 1: TOBACCO PRODUCT MANUFACTURER'S IDENTIFICATION *

COMPANY NAME: _____

STREET ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

EMAIL: _____ PHONE NUMBER: _____ FAX NUMBER: _____

BOARD OF EQUALIZATION (BOE) MANUFACTURER'S LICENSE NO.: _____

***All manufacturers (i.e., fabricators) must complete and sign this form. Use as many copies of this form as needed.**

PART 2: BRANDS TO BE SOLD AND SALES YEAR

THE FIRST YEAR OF SALES OF CIGARETTES TO CALIFORNIA CONSUMERS BY THE ABOVE COMPANY IS: _____

THE BRAND NAMES TO BE SOLD IN CALIFORNIA: _____
(ATTACH A SEPARATE SHEET IF NECESSARY)

PART 3: AUTHORIZED COMPANY OFFICERS, OWNERS & AGENTS FOR SERVICE OF PROCESS

NAME: _____ TITLE: _____

NAME: _____ TITLE: _____

NAME: _____ TITLE: _____

NAME: _____ TITLE: _____

PLEASE ATTACH ADDITIONAL SHEET(S), AS NECESSARY, TO PROVIDE A COMPLETE RESPONSE.

PART 4: ACKNOWLEDGMENT OF RECEIPT OF COPY OF RESERVE FUND STATUTE, IMPLEMENTING REGULATIONS AND FORMS

I ACKNOWLEDGE RECEIPT AND REVIEW OF A COPY OF THE NPM RESERVE FUND STATUTE HEALTH & SAFETY CODE, SECTIONS 104555-104557, REVENUE & TAXATION CODE, SECTION 30165.1, THE IMPLEMENTING REGULATIONS (TITLE 11, CHAPTER 16, CALIFORNIA CODE OF REGULATIONS SECTIONS 999.10-999.14) AND FORMS (ESCROW AGREEMENT ((JUS-TOB 6)), CERTIFICATE OF COMPLIANCE (JUS-TOB 3), BRAND FAMILIES UNIT SALES SCHEDULE 1 (JUS-TOB 4).

INITIALS: _____ DATE: _____

ACKNOWLEDGMENT OF RECEIPT & REVIEW OF NPM RESERVE FUND STATUTE, IMPLEMENTING REGULATIONS & FORMS

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PART 5: ACKNOWLEDGMENT OF CALCULATION METHOD

I ACKNOWLEDGE THAT THE NPM RESERVE FUND STATUTE REQUIRES OUR COMPANY TO DEPOSIT BY APRIL 15TH NEXT YEAR THE AMOUNTS DETERMINED ACCORDING TO THE FORMULA CALCULATION DESCRIBED BELOW.

TO CALCULATE THE BASE AMOUNT (THE RATE FOR THE SALES YEAR) TIMES (THE NUMBER OF CIGARETTES SOLD THAT YEAR) FOR THE APPROPRIATE SALES YEAR, THE FOLLOWING ARE THE RATES PER CIGARETTE THAT OUR COMPANY SELLS IN CALIFORNIA:

FOR THE SALES YEAR: (USE THE RATES LISTED BELOW TO CALCULATE THE APPROPRIATE DEPOSIT AMOUNT)

2000 - THE RATE PER CIGARETTE IS	0.0104712
2001 - 2002 - THE RATE PER CIGARETTE IS	0.0136125
2003 - 2006 - THE RATE PER CIGARETTE IS	0.0167539
2007 AND THEREAFTER - THE RATE PER CIGARETTE IS	0.0188482

THE APPROPRIATE RATE FOR OUR FIRST YEAR OF CIGARETTE SALES IN CALIFORNIA IS: _____

TO CALCULATE THE TOTAL AMOUNT TO BE DEPOSITED INTO ESCROW, THE INFLATION ADJUSTMENT ACCORDING TO EXHIBIT C* OF MSA IS ADDED TO THE BASE AMOUNT.

INITIALS: _____ DATE: _____

PART 6: ACKNOWLEDGMENT THAT COPIES OF INFLATION ADJUSTMENT CALCULATION AND PROOF OF DEPOSIT IS REQUIRED

I ACKNOWLEDGE ALSO THAT MY COMPANY IS REQUIRED TO ATTACH A COPY OF OUR INFLATION ADJUSTMENT CALCULATION AND OUR RECEIPT OR OTHER PROOF OF DEPOSIT FROM OUR FINANCIAL INSTITUTION.

INITIALS: _____ DATE: _____

PART 7: NOTARIZED SIGNATURE

UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA, I DECLARE THAT I AM AUTHORIZED TO CERTIFY, ON BEHALF OF THE TOBACCO PRODUCT MANUFACTURER NAMED IN PART 1, THAT ALL OF THE CERTIFICATIONS AND INFORMATION CONTAINED IN THIS ACKNOWLEDGMENT FORM IS COMPLETE AND ACCURATE.

THIS DOCUMENT MUST ALSO BE SIGNED AND DATED IN FRONT OF AN AUTHORIZED NOTARY PUBLIC, WHO ALSO SIGNS AS A WITNESS.

NAME (TYPE OR PRINT): _____ TITLE: _____

SIGNATURE OF AUTHORIZED AGENT: _____ DATE: _____

SUBSCRIBED AND SWORN TO BEFORE ME ON THIS DATE: _____ CITY OF: _____

SIGNATURE OF NOTARY PUBLIC: _____

COMMISSION EXPIRES: _____

THIS FORM MUST BE FILED WITH THE ATTORNEY GENERAL OFFICE:

MAILING ADDRESS:

OFFICE OF THE ATTORNEY GENERAL
FOR THE STATE OF CALIFORNIA
TOBACCO LITIGATION & ENFORCEMENT SECTION
P. O. BOX 944255
SACRAMENTO, CA 94244-2550

STREET ADDRESS:

OFFICE OF THE ATTORNEY GENERAL
FOR THE STATE OF CALIFORNIA
TOBACCO LITIGATION & ENFORCEMENT SECTION
1300 I STREET, SUITE 125
SACRAMENTO, CA 95814

OR

Instructions

Acknowledgment of Receipt and Review of NPM Statute, Implementing Regulations, Forms, Calculation Method and Reporting Responsibilities for Depositing Reserve Funds

GENERAL INFORMATION	
What is the definition of a tobacco product manufacturer?	
<ul style="list-style-type: none"> • Any entity that manufactures cigarettes anywhere that such manufacturer intends to be sold in the United States, including cigarettes that are intended to be sold in the United States through an importer; The first purchaser anywhere for resale in the United States of cigarettes manufactured anywhere that the manufacturer does not intend to be sold in the United States; or • A successor of any entity described above. 	
Who is required to file this Acknowledgment of Receipt?	
<ul style="list-style-type: none"> • Any tobacco product manufacturers which: <ol style="list-style-type: none"> (1) plans to begin selling cigarettes to consumers within the state of California (whether directly or through any distributor, retailer, or similar intermediary); and (2) has not become a participating manufacturer in the tobacco Master Settlement Agreement. 	
What is a non-participating manufacturer?	
A non-participating manufacturer is any tobacco product manufacturer who has not signed onto the tobacco Master Settlement Agreement, executed on 11/23/98 between 46 U.S. States, including California, and certain tobacco companies.	
What is a qualified escrow fund?	
You are required to establish a qualified escrow fund as a source of compensation for the State and other parties identified in the Master Settlement Agreement, including the costs of smoking related illness, in the event you are found liable to the State or the other parties by a court or as provided in a settlement. This means an escrow arrangement with a federally or 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 California and other "releasing parties" as defined in the Master Settlement Agreement, or 25 years, whichever occurs first, and (2) prohibits you from using, accessing, or directing the use of the funds' principal except as consistent with Health & Safety Code section 104557(b).	
When is this acknowledgment and affidavit due?	
This affidavit must be filed before selling cigarettes in California. This is intended to ensure that tobacco product manufacturers are notified and understand that they will need to make escrow payments next year for each cigarette they sell.	
When must I make my escrow deposits?	
You must deposit the required reserve funds into your qualified escrow fund on or before April 15 th of the year following the sales year. After you have made your deposit, forward a copy of your receipt or other proof of deposit from your financial institution. Finally, once the deposit is made, you must also complete and file a Certification of Compliance and Affidavit (Form TOB.cc-1).	
SPECIFIC INSTRUCTIONS	
Part 1: Manufacturer's Identification	Fill in your name, address and telephone and fax number.
Part 2: Brands & Sales Year	List each and every Brand to be sold and the sales year (calendar year of the sales).
Part 3: Company Officers, Owners, Agents for Service of Process	Enter the names and titles of all company officers, owners and agents for service of process.
Part 4: Acknowledgment of Receipt of NPM statute, Regulations, Forms	Initial to acknowledge receipt of the copies of the law, the regulations and forms.
Part 5: Acknowledgment of Deposit Calculation Method	Write the appropriate rate for the sales year that your company will begin selling in California and initial to acknowledge understanding the deposit calculation method.
Part 6: Acknowledgment of Duty to provide inflation adjustment calculation & Proof of Deposit	Initial to acknowledge understanding that copies of your inflation adjustment calculation and proof of deposit is required.
Part 7: Signature	An authorized notary public must also sign and date this affidavit.