

STATE OF HAWAII

CERTIFICATE OF COMPLIANCE BY NON-PARTICIPATING MANUFACTURER

I. Manufacturer:

- 1. Name: \_\_\_\_\_
- 2. Address: \_\_\_\_\_
- 3. Telephone: \_\_\_\_\_
- 4. Facsimile: \_\_\_\_\_
- 5. E-mail: \_\_\_\_\_

Sales Year: (A separate Certificate of Compliance for each Sales Year.)

2001

6. The Sales Year for this Certificate of Compliance is:

Units Sold: (As defined in Haw. Rev. Stat. §675-2(d); includes roll-your-own tobacco.)

7. Number of individual cigarettes and the amount of "roll-your-own" tobacco (0.09 oz. constitutes one cigarette) sold (whether directly or through a distributor, retailer or similar intermediary or intermediaries) to consumers within the State of Hawaii by the manufacturer identified above during the Sales Year is as follows: \_\_\_\_\_

Deposit Amount:

8. Rate per Unit Sold for Sales Year 2001 is: \$0.0136125

9. The deposit subtotal is: \$ \_\_\_\_\_  
(Multiply the units in line 7 by the rate in line 8 and enter the result on line 9.)

10. The appropriate inflation adjustment for the sales year is: \$ \_\_\_\_\_  
(For payments made April 15, 2002, multiply the deposit subtotal in line 9 by 9.68306% or .0968306 and enter the result in line 10.)

11. The total amount paid into the qualified escrow fund by the manufacture identified above for the Sales Year is: \$ \_\_\_\_\_  
(Add the deposit subtotal in line 9 and the inflation adjustment amount in line 10 and enter the result in line 11.)

II. Financial Institution:

- 12. Name: \_\_\_\_\_
- Address: \_\_\_\_\_

Escrow number: \_\_\_\_\_  
Deposit amount: \$ \_\_\_\_\_

ATTACH:

- 1. Copy of proof of deposit from your financial institution;
- 2. Copy of your Escrow Agreement if you have not done so previously; and
- 3. On a separate sheet, list the brands of cigarettes (or roll-your-own tobacco) that you manufacture and label for sale in the United States.

**Signatures:**

I hereby certify, to the best of my ability and under penalty of perjury that the information contained in this Certificate of Compliance is true, accurate and complete. I understand that public officials in the State of Hawai'i may rely on the veracity of the information I am providing. *This Certificate of Compliance must also be signed and dated by an authorized notary public.*

**Manufacturer:**

Name of authorized agent: \_\_\_\_\_ Title: \_\_\_\_\_

Signature of authorized agent: \_\_\_\_\_ Date: \_\_\_\_\_

Subscribed and sworn to before me on this date: \_\_\_\_\_

City or County of \_\_\_\_\_ Country of \_\_\_\_\_

Signature of Notary Public: \_\_\_\_\_

My commission expires: \_\_\_\_\_

**Financial Institution:**

Name of authorized agent: \_\_\_\_\_ Title: \_\_\_\_\_

Signature of authorized agent: \_\_\_\_\_ Date: \_\_\_\_\_

Subscribed and sworn to before me on this date: \_\_\_\_\_

City or County of \_\_\_\_\_ Country of \_\_\_\_\_

Signature of Notary Public: \_\_\_\_\_

My commission expires: \_\_\_\_\_

**Deposit by:** April 15, 2002

**File this form by:** April 30, 2002

**Where to file:** STATE OF HAWAI'I  
Department of the Attorney General  
Tobacco Enforcement Unit  
425 Queen Street  
Honolulu, Hawai'i 96813  
(808) 586-1203 or (808) 586-0932 fax

**Applicable law:** Haw. Rev. Stat., Chapter 675  
(Located at [www.capitol.hawaii.gov/site1/docs/docs.asp#hrs](http://www.capitol.hawaii.gov/site1/docs/docs.asp#hrs); find "2001 Hawai'i Revised Statutes"; click on "Browse" button; click on "Vol13\_Ch 601-675"; click on "hrs675"; click on appropriate section.)

## GENERAL INFORMATION

### **What is the definition of a tobacco product manufacturer?**

- Any entity that manufactures cigarettes, including roll-your-own tobacco, 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 Certificate of Compliance?**

- Any tobacco product manufacturer which: (1) sells cigarettes within the State of Hawai'i (whether directly or through a distributor, retailer or similar intermediary or intermediaries) and (2) has not become a participating manufacturer in the tobacco Master Settlement Agreement executed on November 23, 1998 (the "MSA").
- A non-participating manufacturer (NPM) is any tobacco product manufacturer who has not signed onto the MSA.

*If you satisfy these requirements, you must file this Certificate of Compliance to report the units of cigarettes manufactured by you and sold in the State of Hawai'i and place the amount calculated into your qualified escrow fund.*

### **What is a qualified escrow fund?**

An NPM who is required to file this 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 (1 billion dollars), where such arrangement (1) requires that the financial institution hold the escrowed funds' principal for the benefit of the State of Hawai'i (and possibly other "Releasing Parties" as defined in the MSA) and (2) prohibits the NPM from using, accessing, or directing the use of the funds' principal except as consistent with Haw. Rev. Stat., Chapter 675.

### **When must I file this Certificate of Compliance with the attorney general?**

This Certificate of Compliance is to be filed with the attorney general on or before April 30<sup>th</sup> of the year following the Sales Year.

### **When must I place the required amount into the qualified escrow fund?**

An NPM must place the required escrow payment into the qualified escrow fund by April 15<sup>th</sup> of the year following the Sales Year. After you have placed the monies into escrow, forward a copy of the receipt or other proof of deposit from your financial institution to the Office of the Attorney General of the State of Hawai'i, along with this signed and notarized Certificate of Compliance. In addition, after you have made your initial deposit into the qualified escrow fund, forward a copy of the escrow agreement as executed. Finally, forward any amendments to the escrow agreement.