

MEMORANDUM

TO: NON-PARTICIPATING TOBACCO PRODUCT MANUFACTURERS

FROM: DANIEL WALSH
SENIOR ASSISTANT ATTORNEY GENERAL

DATE: AUGUST 2, 2016

RE: CHANGES TO GEORGIA'S TOBACCO REPORTING AND ESCROW REQUIREMENTS

In accordance with recent amendments to Georgia's escrow and certification statutes, O.C.G.A. §§ 10-13-1, *et. seq* and 10-13A-1, *et. seq* (effective July 1, 2016), new requirements have been implemented for tobacco product manufacturers who are not participants in the Master Settlement Agreement of November 23, 1998 ("Non-Participating Manufacturers" or "NPMs"). Relevant provisions include, but are not limited to, posting a bond in the amount of the greater of \$50,000 or the highest amount of escrow owed for Georgia in the last twelve (12) quarters and submitting a revised escrow agreement to the Attorney General's office for review and approval. Additionally, any foreign Non-Participating Manufacturer selling into Georgia through an importer is required to have its importer accept joint and several liability for the deposit of escrow payments.

In order to facilitate compliance, this office has created new forms and a sample revised escrow agreement and posted them on the internet. The required forms may be accessed at <http://law.ga.gov/tobacco-manufacturer-and-brand-compliance> or by contacting Lauren Giles at 404-463-1749 or lgiles@law.ga.gov.

The following forms and information must be submitted by each Non-Participating Manufacturer by **September 1, 2016**:

- Supplemental Tobacco Product Manufacturer's Certification for Non-Participating Manufacturers (Form AG-03N)
- Non-Participating Manufacturer Bond (Form AG-07)
- Appointment of Registered Agent and Registered Agent Statement (Form AG-02) – if Registered Agent form submitted with April 2016 certification is still current, it is not necessary to complete this form, however please submit a copy of the April 2016 Registered Agent form submission.
- Revised escrow agreement

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- For Non-Participating Manufacturers selling into Georgia through an importer, each importer must complete and submit the following forms:
 - Tobacco Importer Acceptance of Joint & Several Liability (Form AG-06)
 - Appointment of Registered Agent and Registered Agent Statement (Form AG-02)

Submit documents to: Regulated Public Interests Section, Office of the Attorney General, 40 Capitol Square, Atlanta, Georgia 30334.

Failure to submit the required information by **September 1, 2016** may result in the removal of the Non-Participating Manufacturer from the Georgia Directory of Compliant Tobacco Product Manufacturers (“Directory”). **Cigarettes and Roll-Your-Own tobacco product made by manufacturers that are not listed in the Directory cannot be sold in Georgia.**

For questions, please contact Lauren Giles at 404-463-1749 or lgiles@law.ga.gov.