

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU (TTB)
TOBACCO BOND

GENERAL INSTRUCTIONS

A. When must I complete and file this bond? The provisions of 26 U.S.C. Chapter 52 require a bond for a person who conducts business as a manufacturer of tobacco products, proprietor of an export warehouse, or manufacturer of cigarette papers and tubes. This bond shows that you have a bond with a corporate surety and that you and the corporate surety are responsible for the terms and conditions of this bond; or, this bond shows that you have deposited government obligations of the United States and are responsible for the terms and conditions of this bond. You must have an approved bond before you can commence business.

B. What is a corporate surety? A corporate surety promises to pay your liability incurred under this bond up to the amount stated on this bond. The Secretary of the Treasury authorizes qualified companies to give bonds and to act as corporate surety to protect the revenue. You may find a list of authorized corporate sureties in Treasury Department Circular 570, available from the Bureau of the Fiscal Service at <https://fiscal.treasury.gov>, or send a request to the Surety Bonds Branch, 200 Third St. Room 1010, Petersburg, WV 26106.

C. May I use more than one corporate surety? We prefer that you not use more than one corporate surety. However, if you use more than one corporate surety, you and the corporate sureties must modify this bond. The modifications include additions and modifications to the terms and conditions of this bond. You should contact TTB before you submit this bond with more than one corporate surety.

D. Where can I get assistance with this form? Contact a specialist at the Office of Permitting and Taxation phone at 1-877-882-3277, or use the Office of Permitting and Taxation Contact Form: https://www.ttb.gov/webforms/contact_nrc.shtml. Please visit our website at <https://www.ttb.gov/tobacco> for additional information.

E. How do I make corrections to the bond if I make a mistake? If you or the corporate surety make any alteration or erasure to this bond, you and the corporate surety must identify, initial, and date the correction.

F. May I submit this bond on more than one sheet? We prefer that you submit this bond on a single sheet. However, if that is not possible, put your business's legal name, employer identification number, and TTB permit number (if assigned) on any additional sheets.

G. Must I submit two copies and must each copy have original signatures? You must submit two identical copies of this bond and all individuals required to sign the bonds must sign them in ink. If we approve the bonds, we will keep one copy and return the other copy to you for your records.

H. Where do I send this bond? Send both signed copies of the bond and necessary attachments to:

Alcohol and Tobacco Tax and Trade Bureau
Office of Permitting and Taxation
550 Main Street
Ste. 8970
Cincinnati, OH 45202-3222

STEP BY STEP INSTRUCTIONS

Item 1: What is the permit number? DO NOT complete this item if you do not know the TTB permit number assigned to your business. Only a manufacturer of tobacco products who has more than one factory may enter more than one TTB permit number.

Item 2: What Is the Principal/Obligor legal name?

If your business is a:	Your legal name is:
Sole proprietorship	Your full name
Partnership	The name of each partner, or the name of the partnership as filed with a State or local government
Corporation, association, limited liability company, or other business	The name as stated on your documents filed with a State or local government

Item 2: What is my premises address? This is the address where your factory(ies) is(are) located or your export warehouse is located.

Item 5: What is an Employer Identification Number (EIN)?

This is the nine-digit number that the Internal Revenue Service assigns to your business. If you do not have an EIN, you must obtain one from the Internal Revenue Service (IRS), using IRS Form SS-4.

Item 6: What kind of bond do I file?

- An **original** bond when you start or acquire a business to operate a tobacco product or cigarette papers and tubes factory, or an export warehouse.
- A **strengthening** bond to add more coverage to your existing bond.
- A **superseding** bond to replace your previous bond(s) or to change the collateral filed with your bond.

Item 7: Do I file an individual or blanket bond? If you only have one location, select an individual bond. A blanket bond may only be filed by a manufacturer of tobacco products who has more than one factory with an assigned permit number covered by the bond. **(NOTE: IF YOU HAVE ONLY ONE PERMIT NUMBER TO ENTER IN ITEM 1, YOU MUST FILE AN INDIVIDUAL BOND).**

Item 8: What is the effective date of this bond?

If accepted by TTB, the bond is effective according to its terms on and after the date inserted in the space provided. If no effective date is inserted, the date of execution (see Item 11) will be the effective date of the bond.

Item 9: How do I determine the bond amount?

Bond for:	Dollar (\$) amount
Proprietor of export warehouse	Minimum: \$1,000 Maximum: \$200,000 The amount of the bond may not be less than the estimated amount of tax that may, at any time, constitute a charge against the bond. The amount must reflect the amount of tax liability on tobacco products and cigarette papers and tubes at the export warehouse at any time, including the amount of tax liability on products for which satisfactory evidence of exportation or other authorized disposition has not been received by TTB.
One factory of a manufacturer of tobacco products (individual bond)	Minimum: \$1,000 Maximum: \$250,000 when manufacturing and/or receiving in bond: Cigarettes; or any combination of tobacco products. Maximum: \$150,000 when manufacturing

Bond for:	Dollar (\$) amount
	and/or receiving in bond only one type of tobacco product other than cigarettes . The bond shall be not less than the total amount of tax liability on all tobacco products manufactured in the factory, received in bond from other factories and from export warehouses, and released to the manufacturer in bond from customs custody.
More than one factory of a manufacturer of tobacco products, operating under multiple permits (<i>blanket bond</i>)	1) Determine the amount of an individual bond for each factory as described above, AND 2) If the total amount of individual bonds would be: • \$250,000 or less, then the amount of the blanket bond will be the total of the individual bonds. • More than \$250,000 but not more than \$500,000, then the amount of the blanket bond is \$250,000 plus 50 percent of the total amount that is more than \$250,000. • More than \$500,000, then the amount of the blanket bond is \$375,000 plus 25 percent of the total amount that is more than \$500,000.
Manufacturer of cigarette papers and tubes	Minimum: \$1,000 Maximum: \$20,000 Bond must equal or exceed the maximum tax liability for the total amount of cigarette papers and tubes manufactured and/or received in bond during any calendar month.

Item 10b-c: What type of collateral may I submit? Cash in the form of a certified check or United States postal money orders, or Treasury Notes or Treasury Bonds. For Treasury Notes or Treasury Bonds, the maturity date of the notes and bonds must be two years or more. **Note: A security purchased through Treasury Direct CANNOT be used as collateral because it cannot be transferred into the Federal Reserve Bank holding account.**

Item 10c: Where do I get the CUSIP number? The CUSIP number will be listed as a description on the document you receive from the bank or broker from whom your Treasury Note or Bond was purchased. If your note or bond is with a Federal Reserve Bank they will provide the CUSIP number and other information.

PAPERWORK REDUCTION ACT NOTICE

This request is in accordance with the Paperwork Reduction Act of 1995. We use this information to determine whether you are qualified to operate as a manufacturer of tobacco products, an export warehouse proprietor, or a manufacturer of cigarette papers and tubes. We must identify the manufacturer or proprietor, the corporate surety, and the penal sum of the bond. The information we request is required for you to obtain a benefit and is mandatory by law (26 U.S.C. 5711).

We estimate the average burden associated with this collection to be 1 hour per manufacturer or proprietor, depending on individual circumstances. Address your comments concerning the accuracy of this burden and suggestions to reduce this burden to: Paperwork Reduction Act Officer, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street, NW, Box 12, Washington, DC 20005 (please do NOT mail completed forms to this address).

An agency may not conduct or sponsor and you are not required to respond to, a collection of information unless it displays a current, valid OMB control number.

Item 11: Must I provide a date when I sign the bond?

Yes, the date on the bond form is the date the Principal and the surety company, or in the case of a collateral bond, the Obligor, sign the bond agreeing to the terms of the bond.

Item 11: How must the corporate surety sign this form?

An authorized individual must sign for the corporate surety and affix the corporate surety's seal in the designated area. Also, the corporate surety must attach a power of attorney authorizing the individual who signs on its behalf. The Power of Attorney Certification date must be the same or later than the date the bond is signed.

Item 11: How does the Principal/Obligor sign this bond?

If your business is a:	Signature:
Sole proprietorship	a. Your full name; OR b. An individual for whom you have filed TTB F 5000.8, Power of Attorney, that grants the authority to sign this bond.
Partnership	a. Each partner; OR b. The partner who has been given the authority to sign by the Articles of Partnership or similar agreement of all the partners that you have filed with your application for a TTB permit; OR c. An individual for whom you have filed TTB F 5000.8, Power of Attorney, that grants the authority to sign this bond.
Corporation, association, limited liability company, or other business	a. An officer who has authority by the business documents that you have filed with your TTB application for a TTB permit; OR b. An individual for whom you have filed TTB F 5000.8, Power of Attorney, that grants the authority to sign this bond.

Item 11: Do I need a seal? If your business is a corporation, association, or other business, you may have a seal. A seal is adopted and used by a business for authenticating its corporate acts and executing legal instruments. If your business has a seal, affix it on the form in the designated area of item 11.

Item 11: When do I need two witnesses and what must they do? If your business has no seal, two witnesses must sign and testify to the fact that you signed the bond in their presence. Each witness must print his/her name in addition to signing his/her name.

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
TOBACCO BOND

(Please read instructions carefully.)

1. PERMIT NUMBER(S)

2. PRINCIPAL/OBLIGOR LEGAL NAME AND PREMISES ADDRESS
(Number, Street, City, State, ZIP Code)3. PRINCIPAL/OBLIGOR MAILING ADDRESS
(If different than Premises Address)

4. BUSINESS CONDUCTED UNDER THIS BOND (check one box only):

☐ Manufacturer of Tobacco Products ☐ Export Warehouse Proprietor ☐ Manufacturer of Cigarette Papers and Tubes

5. EMPLOYER IDENTIFICATION NUMBER (EIN)

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6. BOND KIND (check one box only)

☐ Original ☐ Strengthening ☐ Superseding

7. BOND TYPE (check one box only)

☐ Individual bond ☐ Blanket bond

8. BOND EFFECTIVE DATE

9. AMOUNT OF THIS BOND

\$

10. BOND CATEGORY (Select only one category (i.e. 'Surety,' 'Cash,' or 'Treasury Note/Bond') and complete corresponding items to right of selection.)

a. ☐ SURETY:

SURETY NAME

BOND NUMBER

b. ☐ CASH:

CHECK NUMBER(S) (cashier's check or U.S. postal money order)

c. ☐ TREASURY
NOTE/BOND**

CUSIP NO

INTEREST RATE

 %

MATURITY DATE

ISSUE DATE

** This bond is secured by the Treasury collateral (T-Note) described above or by a T-Note resulting from reinvestment of the full proceeds from the T-Note described above. T-Note collateral reinvestment will automatically occur upon maturity, unless the obligor notifies TTB in writing at least 45 days prior to the maturity date, that the T-Note proceeds should not be reinvested and the obligor requests this bond be terminated.

11. BOND EXECUTION (By signing this document you acknowledge and agree to the terms and conditions described on page 4 of this form.)

We witness our hands and seals this day of , 20. Signed, sealed, and delivered in the presence of--

SURETY NAME

PRINCIPAL/OBLIGOR NAME

SURETY REPRESENTATIVE SIGNATURE

X

PRINCIPAL/OBLIGOR REPRESENTATIVE SIGNATURE

X

SURETY REPRESENTATIVE PRINTED NAME AND TITLE

PRINCIPAL/OBLIGOR REPRESENTATIVE PRINTED NAME AND TITLE

☐ I declare that the surety's seal is affixed to this form in accordance with TTB regulations.

Alterations made on this bond before and after execution were made with the consent of the

Principal/Obligor

and Surety

PRINT/SIGN, WITNESS
1 (If no seal)

SIGNATURE

PRINT/SIGN, WITNESS
2 (If no seal)

SIGNATURE

☒ I/We declare that the corporation or LLC seal is affixed to this form in accordance with TTB regulations.

☐ The corporation/LLC has no seal.

Impress
Surety
Seal

Principal/
Obligor
Seal

OFFICE OF PERMITTING AND TAXATION: On behalf of the United States, I approve the foregoing bond, which has been executed in due form in compliance with the applicable laws, regulations, and instructions.

12(a).SIGNATURE AND TITLE OF APPROPRIATE TTB OFFICER, OFFICE OF PERMITTING AND TAXATION

X

(Signature)

(Title)

12(b). DATE APPROVED

(Date)

TERMS AND CONDITIONS OF THIS BOND

PURPOSE: The above principal/obligor has filed an application to operate as a manufacturer of tobacco products or an export warehouse proprietor, or the above principal/obligor has filed this bond to qualify as a manufacturer of cigarette papers and/or tubes.

DEFINITIONS:

Principal: A person who is engaged or intends to engage in a business as a manufacturer of tobacco products, an export warehouse proprietor, or a manufacturer of cigarette papers and tubes covered by a surety bond.

Obligor: A person who is engaged or intends to engage in a business as a manufacturer of tobacco products, an export warehouse proprietor, or a manufacturer of cigarette papers and tubes covered by a collateral bond.

Collateral bond: A bond secured by tangible assets such as cash, or United States Treasury Bond or Note.

CONDITIONS: The person who is engaged, or intends to engage, in a business as a manufacturer of tobacco products, an export warehouse proprietor, or a manufacturer of cigarette papers and tubes is identified in items 1 through 5. Item 2 identifies the premises where such person is engaged, or intends to engage, in business as a manufacturer of tobacco products, an export warehouse proprietor, or manufacturer of cigarette papers and tubes. We, the manufacturer of tobacco products, export warehouse proprietor, or manufacturer of cigarette papers and tubes, and the corporate surety, stated in item 11 on this bond, promise to pay the amount of this bond in lawful money of the United States to the United States of America. This bond firmly binds us individually, our heirs, executors, administrators, successors, and assigns.

LIABILITY: I, as the person who is engaged, or intends to engage, in the business as a manufacturer of tobacco products, an export warehouse proprietor, or a manufacturer of cigarette papers and tubes, agree to pay the taxes, including penalties and interest, for which I become liable to the United States under Chapter 52 or Section 7652 of Title 26 of the United States Code and promulgating regulations. Until such payments have been made, this bond remains in full force and effect for the business identified in items 1 through 5 of this form. Furthermore, I agree that an installment agreement to pay such taxes between the United States and myself does not affect the United States' ability to pursue remedies against me under this bond.

COMPLIANCE: If I or the corporate surety do not comply faithfully in all respects with such laws and regulations identified in the above paragraph, this bond remains in full force and effect for the business identified in items 1 through 5 of this form.

CHANGES WHILE BOND IS IN EFFECT: As a manufacturer of tobacco products or an export warehouse proprietor, I agree that this bond extends and applies to any change that requires me to file an application for a new or amended permit. As a manufacturer of cigarette papers and tubes, I agree that this bond extends and applies to any change which would require me to file an extension of coverage of bond, which would include a change in location.

DEFAULT: If the principal of a surety bond fails to fulfill any of the terms or conditions of this bond, the United States may seek compensation and pursue its remedies independently from either the principal or surety, or jointly from both. The surety hereby waives any right or privilege it may have of requiring, upon notice, or otherwise, that the United States will first commence

action, intervene in any action of any nature whatsoever already commenced, or otherwise exhaust its remedies against the principal.

If the Obligor of a collateral bond fails to fulfill any of the terms or conditions of this bond, the United States may apply any outstanding tax liability (including any penalties or interest) against the collateral deposited. TTB may use this bond's collateral to satisfy any of my liabilities under this bond. This authorization is irrevocable.

RELIEF OF CORPORATE SURETY: TTB may relieve a corporate surety from liability under this bond if the corporate surety complies with the applicable regulations; however, the corporate surety remains liable for any obligations incurred before the date that TTB relieves the corporate surety in writing from liability under the bond. The surety may at any time give notice in writing to the principal and to TTB that it desires to be relieved as to any future liability incurred by the principal. The notice must be executed for the surety by an authorized officer or by an empowered attorney-in-fact. The notice must be accompanied by proof of service on the principal. The bond must be terminated as to future liability upon the expiration of 90 days after the date on which TTB acknowledges in writing to the surety that TTB has received proof that the principal has been properly notified. The surety must not be liable for any obligations that the principal incurs on and after the termination date of the bond. After the bond is terminated, the surety must remain bound with respect to any liability for unpaid taxes, penalties and interest, not in excess of the amount of this bond, incurred by the principal prior to the termination date of this bond.

BOND EFFECTIVE DATE: If accepted by the United States, the bond will be effective according to its terms on an date after the date without notice to the principle/obligor. Provided, that if no effective date is inserted in the space provided, the date of execution will be the effective date of the bond.

PRIVACY ACT INFORMATION

We provide this information to comply with Section 3 of the Privacy Act of 1974 (5 U.S.C. 552a(e)(3)):

1. What is TTB's authority to ask for this information? We require this information under the authority of 26 U.S.C. 5711. You must disclose this information to obtain authority to conduct manufacturing or export warehousing operations.

2. What is the purpose of this information collection? You provide this information to identify yourself as a manufacturer of tobacco products, an export warehouse proprietor, or a manufacturer of cigarette papers and tubes, to give us a bond for your compliance with the requirements to operate such a factory or warehouse, and to identify your bond's collateral or surety company.

3. How does TTB routinely use this information? We use this information for the purposes described in paragraph 2. Also, we may disclose the information to other Federal, State, foreign, and local law enforcement and regulatory agency personnel to verify information on the form where such disclosure is not prohibited by law. We may disclose the information to the Justice Department if it appears that the furnishing of false information may constitute a violation of Federal law. Finally, we may disclose the information to members of the public in order to verify information on the form where such disclosure is not prohibited by law.

4. What is the effect of my not supplying the information TTB requests? If you fail to supply complete information, then we will delay processing and may disapprove your bond and pending application(s).