

participating manufacturer (as that term is defined in the Master Settlement Agreement) that will be responsible for the payments under the Master Settlement Agreement with respect to such cigarettes as a result of the provisions of subsection II(mm) of the Master Settlement Agreement and that pays the taxes specified in subsection II(z) of the Master Settlement Agreement, and provided that the manufacturer of the cigarettes does not market or advertise the cigarettes in the United States);

(ii) is 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

(iii) becomes a successor of an entity described in subparagraph (i) or (ii) of this paragraph or paragraph (2) of this subsection.

(2) The term "tobacco product manufacturer" shall not include an affiliate of a tobacco product manufacturer unless such affiliate itself falls within any provisions of subparagraph (i), (ii), or (iii) of paragraph (1) of this subsection.

Chapter 169 of the Acts of 1999

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

3. (b) (1) A tobacco product manufacturer that places funds into escrow in accordance with subsection (a)(2) of this section shall receive the interest or other appreciation on the funds as earned.

(2) The funds themselves shall be released from escrow only under the following circumstances:

(i) to pay a judgment or settlement on any released claim brought against such tobacco product manufacturer by the State or any releasing party located or residing in the State. Funds shall be released from escrow under this subparagraph:

1. in the order in which they were placed into escrow; and
2. only to the extent and at the time necessary to make payments required under such judgment or settlement; or

(ii) to the extent that a tobacco product manufacturer establishes that the amount it was required to place into escrow ON ACCOUNT OF UNITS SOLD IN THE STATE in a particular year was greater than [the State's allocable share of the total payments that such manufacturer would have been required to make in that year under the Master Settlement Agreement (as determined pursuant to section IX(i)(2) of the Master Settlement Agreement, and before any of the adjustments or offsets described in section IX(i)(3) of that Agreement other than the inflation adjustment)] THE MASTER SETTLEMENT AGREEMENT PAYMENTS, AS DETERMINED PURSUANT TO SECTION IX(I) OF THAT AGREEMENT, INCLUDING AFTER FINAL DETERMINATION OF ALL ADJUSTMENTS, THAT SUCH MANUFACTURER WOULD HAVE