as a manufacturer of tobacco products, results in a change in the identity of the principal stockholders exercising actual or legal control of the operations of the corporation, the corporate manufacturer shall, within 30 days after the change occurs, make application on Form 2098 for a new permit. Otherwise, the present permit shall be automatically terminated at the expiration of such 30-day period, and the manufacturer shall dispose of all tobacco products on hand, in accordance with this part, make a concluding inventory and concluding report, in accordance with the provisions of §§40.201 and 40.202, respectively, and surrender his permit with such inventory and report. If the application for a new permit is timely made, the present permit shall continue in effect pending final action with respect to such application.

(72 Stat. 1421, 1422; 26 U.S.C. 5711, 5712)

§ 40.112 Change in address.
Whenever any change occurs in the address, but not the location, of the factory of a manufacturer of tobacco products, as a result of action of local authorities, the manufacturer shall, within 30 days of such change, make application on Form 2098 for an amended permit.

(72 Stat. 1421; 26 U.S.C. 5712)

$40.113$ Change in location to another region.
Whenever a manufacturer of tobacco products intends to remove his factory to another region, the manufacturer shall, before commencing operations at the new location, qualify as such a manufacturer in the new region, in accordance with the applicable provisions of subpart E of this part. The manufacturer shall notify the appropriate TTB officer for the region from which he is removing his factory of his qualification in the new region, giving the address of the new location of his factory and the number of the permit issued to him in the new region, make a concluding inventory and concluding report in accordance with the provisions of §§40.201 and 40.202, respectively, and surrender the permit for his old location with such inventory and report.

(72 Stat. 1421, 1422; 26 U.S.C. 5711, 5712)

$40.114$ Extension or curtailment of factory.
Where a tobacco products factory is to be changed to an extent which will make inaccurate the description of the factory as set forth in the last application by the manufacturer for permit, on the diagram, if any, furnished with such application, the manufacturer shall first make an application on Form 2098 for, and obtain, an amended permit. The application shall be supported by an extension of coverage of bond in accordance with the provisions of §40.137.

(72 Stat. 1421; 26 U.S.C. 5711, 5712)

Subpart G—Bonds and Extensions of Coverage of Bonds

§40.131 Corporate surety.
(a) Surety bonds required under the provisions of this part may be given only with corporate sureties holding certificates of authority from the Secretary of the Treasury as acceptable sureties on Federal bonds. Each bond and each extension of coverage of bond shall at the time of filing be accompanied by a power of attorney authorizing the agent or officer who executed
the bond to so act on behalf of the sur-
ety. The appropriate TTB officer who is
authorized to approve the bond may,
whenever he deems it necessary, re-
quire additional evidence of the au-
thority of the agent or officer to exe-
cute the bond or extension of coverage
of bond. The power of attorney shall be
prepared on a form provided by the sur-
ety company and executed under the
corporate seal of the company. If the
power of attorney submitted is other
than a manually signed document it
shall be accompanied by a certificate
of its validity. Limitations concerning
corporate sureties are prescribed by
the Secretary in Treasury Department
Circular No. 570, as revised. The surety
shall have no interest whatever in the
business covered by the bond.

(b) Treasury Department Circular
No. 570 (Companies Holding Certifi-
cates of Authority as Acceptable Sure-
ties on Federal Bonds and as Accept-
able Reinsuring Companies) is pub-
lished in the FEDERAL REGISTER an-
ually as of the first workday in July. As
they occur, interim revisions of the cir-
cular are published in the FEDERAL
REGISTER. Copies may be obtained from
the Audit Staff, Bureau of Government
Financial Operations, Department of
the Treasury, Washington, DC 20226.

(61 Stat. 649, 72 Stat. 1421, as amended; 31
(80 Stat. 383, as amended))

ATF–243, 51 FR 43194, Dec. 1, 1986, as amend-
ed by T.D. ATF–289, 54 FR 46839, Nov. 27, 1989;

§ 40.132 Deposit of securities in lieu of
corporate surety.

In lieu of corporate surety the manu-
facturer of tobacco products may
pledge and deposit, as security for his
bond, securities which are transferable
and are guaranteed as to both interest
and principal by the United States, in
accordance with the provisions of 31
CFR part 225.

26 U.S.C. 5711)

§ 40.133 Amount of individual bond.

The amount of the bond of a manu-
facturer of tobacco products shall be
not less than the total amount of tax
liability on all tobacco products manu-
factured in his factory, received in
bond from other factories and from ex-
port warehouses, and released to him
in bond from customs custody, during
any calendar month. Where the
amount of any bond is no longer suffi-
cient and the bond is in less than the
maximum amount, the manufacturer
shall immediately file a strengthening
or superseding bond as required by this
subpart. The amount of any such bond
(or the total amount including
strengthening bonds, if any) need not
exceed $250,000 for a manufacturer pro-
ducing or receiving cigarettes in bond;
need not exceed $150,000 for a manufac-
turer producing or receiving cigars,
smokeless tobacco, pipe tobacco, or
roll-your-own tobacco in bond; and
need not exceed $250,000 for a manufac-
turer producing or receiving any com-
bination of tobacco products in bond.
The bond of a manufacturer of tobacco
products shall in no case be less than
$1,000.

(72 Stat. 1421; 26 U.S.C. 5711)

§ 40.134 Amount of blanket bond.

In the case of a blanket bond filed
under the provisions of § 40.67, where
the total amount of individual bonds
otherwise required for the factories
under § 40.133 does not exceed $250,000,
such blanket bond shall be not less
than the total amount of such indi-
vidual bonds. Where the total amount
of such individual bonds required is in
excess of $250,000 but not in excess of
$500,000, the amount of the blanket
bond shall be not less than $250,000 plus
50 percent of such total amount which
is in excess of $250,000. Where the total
amount of such individual bonds re-
quired is in excess of $500,000 the
amount of the blanket bond shall be
not less than $375,000 plus 25 percent of
such total amount which is in excess of
$500,000.

§ 40.135 Strengthening bond.

Where the amount of any bond is no
longer sufficient under the provisions
of § 40.133 or § 40.134, the manufac-
turer shall immediately file a strengthening