

WELCOME TO ABERDEEN'S CHANNEL PARTNER PROGRAM

Thank you very much for your interest in Aberdeen's Channel Partner Program. This program, with its many benefits, is open to Distributors, Resellers, Manufacturer's Reps, Value Added Resellers, OEMs and Solution Providers throughout the world.

Although each category of partnership entails different rewards, here is a list of potential benefits available to Aberdeen Certified Partners:

- Discounted Pricing
- Lead Referrals
- Deal Registration
- Express Access to Unlimited Technical Support at No Charge
- Priority Access to Aberdeen Activities Via Your Aberdeen Account Executive
 - Sales Information
 - Product Information
 - Customer Service
 - Production Expediting
 - Technical Support
 - RMA
 - Accounting
- Direct Access to Aberdeen Management



Our Application is quick and easy. Simply fill out the following form, fill out any applicable state resale certificate(s), and send them to your Aberdeen Account Executive or send them attached to an email to us at SalesInfo@aberdeeninc.com.

Thank you again for your interest in the Aberdeen Channel Partner Program. We look forward to establishing the relationship under which we will provide you the products, services and competitive edge needed to succeed in today's marketplace.

Founded in 1991, Aberdeen is a leading manufacturer of servers and storage. Delivering exceptional performance, unparalleled reliability and outstanding value, Aberdeen's award winning products are deployed every day by IT departments in many of the world's largest organizations.

CERTIFIED CHANNEL PARTNER AGREEMENT

This Channel Partner Agreement (“AGREEMENT”) is dated as indicated below by and between Source Code LLC dba Aberdeen (“ABERDEEN”) located at 10420 Pioneer Boulevard., Santa Fe Springs, California 90670 USA, and _____ (“PARTNER”) located at:

_____.

1. RECITALS:

Whereas, ABERDEEN desires to allow PARTNER to market and sell ABERDEEN Products;

and

Whereas, PARTNER desires to market and sell ABERDEEN Products to entities in the non-exclusive territory (“TERRITORY”) of:

_____;

Therefore, based on the above and the mutual covenants and conditions contained in this AGREEMENT, ABERDEEN and PARTNER, intending to be legally bound, agree as follows:

2. OBLIGATIONS OF PARTNER:

- a. PARTNER shall promote, sell, service and support ABERDEEN brand computer server and storage server products in the TERRITORY defined above.
- b. PARTNER shall not act fraudulently or contrary to any laws of any applicable jurisdiction. In the event PARTNER does violate applicable laws, PARTNER agrees to release ABERDEEN from any and all liabilities and/or obligations arising from such violation(s) and hold ABERDEEN harmless from any and all resultant claims.
- c. PARTNER shall not represent to any party that it is an owner of ABERDEEN, nor will it act in any manner to suggest or convey to any third party that it has such ownership.

3. OBLIGATIONS OF ABERDEEN:

- a. ABERDEEN shall provide to PARTNER a reasonable amount of sales brochures and advertising literature to support PARTNER’s marketing and sales activities. ABERDEEN reserves the right to review and approve, prior to use, all advertising and sales literature containing references to ABERDEEN that are created and/or developed by PARTNER.
- b. ABERDEEN shall provide a pricing discount as outlined in Appendix A. These discounts represent a percentage off of ABERDEEN published prices on the ABERDEEN website, www.aberdeeninc.com. Pricing not available on the ABERDEEN website will be provided in the form of a written quotation.
- c. ABERDEEN shall provide the facility for PARTNER deal registration. Deal registration is on a first-in basis and increases the discount to the PARTNER as indicated in Appendix A.

4. GENERAL TERMS:

- a. **Designation:** Upon execution of this AGREEMENT by both parties, PARTNER shall be designated an Aberdeen Certified Partner.
- b. **Logo Usage:** PARTNER shall be allowed to display the Aberdeen Certified Partner logo in advertising, promotion and on its website in a manner consistent with ABERDEEN published logo usage policies.
- c. **Payment Terms:** Payment terms shall be Net 30 Days from the date of shipment, upon approved credit. Without credit approval, terms are prepaid. All invoicing will be done in United States dollars and all payments are to be remitted in United States dollars.
- d. **FOB:** Shipments will be sent marked FOB Origin.
- e. **Warranty:** All ABERDEEN servers carry a five year warranty from the date of invoice, which with rare exception is the date of shipment. PARTNER is to offer the full five year warranty to its customer in the TERRITORY.
- f. **Advanced Replacement Parts:** ABERDEEN will invoice PARTNER for the published price of advanced replacement parts shipped to the TERRITORY. Upon return receipt of the defective part, ABERDEEN will credit PARTNER's account for the same amount invoiced for the replacement part. The defective part must be received at ABERDEEN within thirty (30) days of shipment of the advanced replacement part. PARTNER is responsible of payment of freight to ABERDEEN. ABERDEEN will pay for ground transportation of advanced replacement parts to PARTNER or a PARTNER designated location within the United States.
- g. **Term and Termination:** This AGREEMENT shall commence on the latest date of execution of this AGREEMENT by both parties, and shall continue for a period of one (1) year thereafter. This AGREEMENT may be terminated by either party upon thirty (30) days' written notice, or sooner at the election of the terminating party, if the other party has materially breached this AGREEMENT or any other agreement between the parties. Thereafter, unless terminated earlier, this AGREEMENT shall automatically renew for consecutive additional one (1) year terms on each anniversary of the commencement date unless either party gives written notice to the other on or before thirty (30) calendar days immediately preceding the expiration date of the then-current term.
- h. **Confidentiality:** ABERDEEN and PARTNER acknowledge that all product, business, marketing and other information provided by ABERDEEN to PARTNER that ABERDEEN does not make available to the general public is "Proprietary Information" and is the exclusive property of ABERDEEN, and that all business, marketing and other information provided by PARTNER that PARTNER does not make available to the general public is "Proprietary Information" and is the exclusive property of PARTNER.

Except as expressly permitted in this AGREEMENT, ABERDEEN and PARTNER agree to ensure that each party's respective employees, representatives and agents will not use, disclose or otherwise make available to the public, copy, reverse engineer, disassemble, modify or decompile any of the Proprietary Information either for their own benefit or for the benefit of any other party during the term of this AGREEMENT and for a period of three (3) years thereafter.

- i. **Force Majeure:** Neither party shall be liable for any failure, inability or delay to perform hereunder, if such failure, inability or delay is due to war, sabotage, insurrection, riot or other civil disobedience, act of a public enemy, failure or delay in transportation, act of any government or agency or subdivision thereof, judicial action, labor dispute, accident, fire, explosion, flood, storm or any other act of God, shortage of labor, fuel, raw material or machinery or technical failure, where ABERDEEN and PARTNER has exercised ordinary care in the prevention thereof.
- j. **Arbitration:** In the event of a disagreement between the parties, both parties agree to submit to binding arbitration as the sole source of remedy. Arbitration shall take place in Los Angeles County, California, United States of America, in accordance with the rules of the American Arbitration Association.

5. MISCELLANEOUS:

- a. All notices between the parties shall be in writing and shall be sent via personal delivery, certified or registered mail or commercial overnight delivery service, with provisions for a receipt, to the address of the other party, as set forth above in the introductory paragraph. All notices sent to ABERDEEN must be sent to the attention of: Jack Tateel, Chief Operating Officer, and all notices to PARTNER must be sent to the attention of:
_____.
- b. This AGREEMENT constitutes the entire agreement between the parties with respect to its subject matter, and may be modified or amended only in a writing signed by both parties. The waiver by either party of any default or breach of this AGREEMENT, or any obligation hereunder, shall be ineffective unless in writing, and shall not constitute a waiver of any subsequent breach or default.
- c. This AGREEMENT shall be governed by, and construed and enforced in accordance with, the laws of the State of California, in the United States of America. If a court or arbitrator of competent jurisdiction holds any term of this AGREEMENT invalid or unenforceable, such term shall be reduced or otherwise modified by such court or arbitrator to the minimum extent necessary to make it valid and enforceable. If such term cannot be so modified, it shall be severed and the remaining terms of this AGREEMENT shall be interpreted so as to give maximum validity and enforceability to this AGREEMENT.
- d. This AGREEMENT is binding upon the parties and their respective successors, representatives and assigns. Neither party may assign or transfer this AGREEMENT without first obtaining the prior written consent of the other party.



Aberdeen
10420 Pioneer Boulevard
Santa Fe Springs, CA 90670
phone 562/903-1500
sales 800/552-6868
fax 562/903-1544

- e. This AGREEMENT sets forth an independent relationship, and it shall not be construed to create an employment relationship or a partnership between the parties. Neither party has the authority to bind the other, to incur any liability or otherwise act on behalf of the other, or to direct any employee of the other party hereto.

ACCEPTANCE OF AGREEMENT

IN WITNESS WHEREOF, PARTNER and ABERDEEN have duly executed this AGREEMENT as of the latest of the two execution dates set forth below.

PARTNER

ABERDEEN

Signed: _____

Signed: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

California Resale Certificate

I HEREBY CERTIFY:

1. I hold valid seller's permit number: _____

2. I am engaged in the business of selling the following type of tangible personal property:

3. This certificate is for the purchase from Source Code LLC dba Aberdeen of the item(s) I have listed in paragraph 5 below.
[Vendor's name]

4. I will resell the item(s) listed in paragraph 5, which I am purchasing under this resale certificate in the form of tangible personal property in the regular course of my business operations, and I will do so prior to making any use of the item(s) other than demonstration and display while holding the item(s) for sale in the regular course of my business. I understand that if I use the item(s) purchased under this certificate in any manner other than as just described, I will owe use tax based on each item's purchase price or as otherwise provided by law.

5. Description of property to be purchased for resale:

6. I have read and understand the following:

For Your Information: A person may be guilty of a misdemeanor under Revenue and Taxation Code section 6094.5 if the purchaser knows at the time of purchase that he or she will not resell the purchased item prior to any use (other than retention, demonstration, or display while holding it for resale) and he or she furnishes a resale certificate to avoid payment to the seller of an amount as tax. Additionally, a person misusing a resale certificate for personal gain or to evade the payment of tax is liable, for each purchase, for the tax that would have been due, plus a penalty of 10 percent of the tax or \$500, whichever is more.

NAME OF PURCHASER

SIGNATURE OF PURCHASER, PURCHASER'S EMPLOYEE OR AUTHORIZED REPRESENTATIVE



PRINTED NAME OF PERSON SIGNING

TITLE

ADDRESS OF PURCHASER

TELEPHONE NUMBER

()

DATE



STEC-B
Rev. 3/15/04

Sales and Use Tax Blanket Exemption Certificate

The purchaser hereby claims exception or exemption on all purchases of tangible personal property and selected services made under this certificate from:

Source Code LLC dba Aberdeen

(vendor's name)

and certifies that the claim is based upon the purchaser's proposed use of the items or services, the activity of the purchase, or both, as shown hereon:

Purchaser must state a valid reason for claiming exception or exemption.

Purchaser's name

Street address

City, state, ZIP code

_____ *Title*

Date signed

Vendor's license number, if any

Vendors of motor vehicles, titled watercraft and titled outboard motors may use this certificate to purchase these items under the "resale" exception. Otherwise, purchaser must comply with either rule 5703-9-10 or 5703-9-25 of the Administrative Code.

This certificate cannot be used by construction contractors to purchase material for incorporation into real property under an exempt construction contract. Construction contractors must comply with rule 5703-9-14 of the Administrative Code.



Form ST-4 Sales Tax Resale Certificate

Name of purchaser _____ Social Security or Federal Identification number _____

Address _____

City/Town _____ State _____ Zip _____

Type of business in which purchaser is engaged: _____

Type of tangible personal property or service being purchased (be as specific as possible): _____

Name of vendor from whom tangible personal property or services are being purchased: _____

Source Code LLC dba Aberdeen

Address	City/Town	State	Zip
10420 Pioneer Boulevard	Santa Fe Springs	CA	90670

I hereby certify that I hold a valid Massachusetts Vendor's Registration, issued by the Commissioner of Revenue, pursuant to Massachusetts General Laws, Chapter 64H, section 7, and that I am in the business of selling the kind of tangible personal property or services being purchased under this certificate, and that I intend to sell such property or services in the regular course of my business.

Signed under the penalties of perjury.

Signature of purchaser _____ Title _____ Date _____

Check applicable box: Single purchase certificate Blanket certificate

Notice to Vendors

1. Massachusetts General Laws assume that all gross receipts of a vendor from the sale of tangible personal property and services are from sales subject to tax, unless the contrary is established. The burden of proving that a sale of tangible personal property or service by any vendor is not a retail sale is placed upon the vendor unless he/she accepts from the purchaser a certificate declaring that the property or service is purchased for resale.
2. A resale certificate relieves the vendor from the burden of proof only if it is taken in good faith from a purchaser who is engaged in the business of selling tangible property or services and who holds a valid Massachusetts sales tax registration.
3. The good faith of the vendor will be questioned if he/she has knowledge of facts which give rise to a reasonable inference that the purchaser does not intend to resell the property or services. For example, knowledge that a purchaser of particular merchandise is not engaged in the business of selling the kind of merchandise or service he/she is purchasing under this certificate would constitute grounds to question the good faith of the vendor.
4. The vendor must make sure that the certificate is filled out properly and signed before accepting it.
5. The vendor must retain this certificate as part of his/her permanent tax records.

If you have any questions about the acceptance or use of this certificate, please contact: **Massachusetts Department of Revenue, Customer Service Bureau, PO Box 7010, Boston, MA 02204, or call (617) 887-MDOR or toll-free, in-state 1-800-392-6089.**

Notice to Purchasers

1. This certificate is to be used when the purchaser intends to resell the tangible personal property or service in the regular course of business. Manufacturers claiming an exempt use of the materials, tools and fuel which will be used in the manufacture, processing or conversion of tangible personal property should use Form ST-12, Exempt Use Certificate. Tax-exempt organizations making purchases for other than resale are to use Form ST-5, Exempt Purchaser Certificate.
2. The purchaser must hold a valid Massachusetts vendor registration. If you need to apply for a registration, go to www.mass.gov/dor and click on WebFile for Business to complete an online application for registration.
3. This certificate must be signed by and bear the name and address of the purchaser and his/her Federal Identification number. This certificate must also indicate the type of tangible personal property purchased and resold by the purchaser.
4. If a purchaser who gives a certificate makes any use of the property other than retention, demonstration or display while holding it for sale in the regular course of business, such property will be subject to the Massachusetts sales or use tax, as of the time the property is first used by him/her.
5. If you are engaged in a service activity, and are unsure as to the eligibility of the tangible personal property being purchased for resale, see the regulation on Service Enterprises, 830 CMR 64H.1.1.
6. For further information about the use of resale certificates, see the regulation on Resale and Exempt Use Certificates, 830 CMR 64H.8.1.

Warning: Willful misuse of this certificate may result in criminal tax evasion sanctions of up to one year in prison and \$10,000 (\$50,000 for corporations) in fines.

This form is approved by the Commissioner of Revenue and may be reproduced.



Form ST-12 Exempt Use Certificate

Vendor's name

Source Code LLC dba Aberdeen

Address

10420 Pioneer Boulevard

City/Town

Santa Fe Springs

State

CA

Zip

90670

I hereby certify that the property herein described is purchased or leased for the following indicated purpose and is exempt from the sales or use tax pursuant to Massachusetts General Laws (MGL), Chapter 64H, section 6(i), (j), (r), (s) or (dd), or is prewritten computer software that qualifies for Multiple Points of Use treatment.

- 1 The materials, tools or fuel will become an ingredient or component part of tangible personal property to be sold.
- 2 **A** The materials, tools or fuel will be consumed and used directly and exclusively in, **or**
B The machinery, and/or replacement parts thereof, will be used directly and exclusively in
 - 1 agricultural production
 - 2 commercial fishing
 - 3 industrial plant in the actual manufacture, conversion or processing of tangible personal property to be sold
 - 4 publishing a newspaper
 - 5 operation of commercial radio broadcasting or television transmission
 - 6 furnishing power to an industrial manufacturing plant
 - 7 furnishing gas, water, steam or electricity when delivered to consumers through mains, lines or pipes
 - 8 research and development by a manufacturing or research and development corporation under MGL, Ch. 63, sec. 38C or 42B
 - 9 production of animals for research, testing or other purposes to promote human or animal well-being
 - 10 other (explain) _____
- 3 Sales of equipment used directly in solar, wind-powered or heat pump systems to heat or provide energy needs of the person's principal residence in the Commonwealth.
- 4 The fuel will be used in the operation of aircraft or railroads.
- 5 The heating fuel will be consumed or used directly and exclusively in heating an industrial plant where at least 75% of the building, location or premises is used for the actual manufacture of tangible personal property to be sold.
- 6 Gas Steam Electricity (check one) will be consumed and used directly and exclusively in the actual manufacture of tangible personal property to be sold or in the heating of the industrial plant provided at least 75% of the metered energy is used for the combination of such manufacturing or heating of the manufacturing area.
- 7 The tangible personal property is a production expense directly incurred in the production of a motion picture by a qualifying motion picture production company and clearly and demonstrably incurred in the Commonwealth.
- 8 The tangible personal property is a production expense directly incurred in the production of a motion picture by an accredited film school student, clearly and demonstrably incurred in the Commonwealth and related to a school film project
- 9 Multiple Points of Use Certificate. The prewritten computer software will be concurrently available for use in multiple tax jurisdictions. The purchaser agrees to remit apportioned use tax to Massachusetts.
- 10 Pesticides purchased by a person licensed or certified as a pesticide applicator by the Dept. of Agricultural Resources under MGL, Ch. 132B.

Description of property (complete for any exemption claimed in line 1 or 2; attach statement if necessary)

Service location(s) of qualified property (complete for any exemption claimed in line 6)

Account number(s)

Full liability is hereby assumed for the payment of any sales or use tax due in the event that the property purchased is used for any purpose other than that herein certified. This certificate shall be considered a part of each order unless revoked in writing. All purchase orders under this certificate will clearly indicate that they represent exempt use purchases.

Signed under the penalties of perjury.

Signature

Title

Name of company

Address

City/Town

State

Zip

Date

Federal Identification number (if applicable)

Check applicable box: Single purchase certificate Blanket certificate

Form ST-12 Instructions

General Information

Certain consumers may not be required to pay a sales tax if the property they purchase is to be used in a manner which exempts it from taxation.

If tangible personal property, including fuel, gas, steam or electricity is purchased and that purchase qualifies for an exemption from the sales or use tax, the purchaser may present an exempt use certificate to the vendor to certify that the property will be used in an exempt manner. The burden of proving that a sale of tangible personal property by any vendor is exempt from tax is on the vendor, unless the vendor accepts from the purchaser a certificate declaring that the property is exempt from tax. The Multiple Points of Use Certificate claimed on line 9 is only applicable to prewritten computer software that will be concurrently available for use in multiple tax jurisdictions.

Notice to Vendors

The vendor must make sure that the certificate is completed properly and signed before accepting it.

An exempt use certificate relieves the vendor from the burden of proof only if it is taken in good faith from a purchaser who, at the time of purchase, intends to use the property in an exempt manner, or is unable to ascertain at the time of purchase that it will be used in an exempt manner.

A Multiple Points of Use Certificate claimed on line 9 relieves the vendor from the obligation to collect, pay, or remit the applicable tax on sales of prewritten software.

The exemption claimed on line 10 for sales to a person licensed or certified as a pesticide applicator by the Department of Agricultural Resources under MGL, Ch. 132B only applies to sales of pesticides, including insecticides, herbicides, fungicides, miticides and all materials registered with the Environmental Protection Agency as pesticides under Federal Insecticide, Fungicide and Rodenticide Act as well as other pesticides commonly regarded in the same category and for the same purpose. See TIR 08-8 for more information.

The vendor must retain this certificate as part of his/her tax records. For further information regarding the requirements for retaining records, see Massachusetts Regulation, 830 CMR 62C.25.1.

Notice to Contractors

This form may be used by a contractor when purchasing or leasing tangible personal property from a vendor in connection with fulfilling a contract with its customer if the property will be used for one of the exempt uses described in Massachusetts General Laws (MGL) chapter 64H, section 6(r) or (s), which include the following: use directly and exclusively in an industrial plant in the actual manufacture of tangible personal property to be sold; in the furnishing of power to an industrial manufacturing plant; in the furnishing of gas, water, steam or electricity when delivered to consumers through mains, lines or pipes; in research and development by a manufacturing corporation or research and development corporation; in agricultural production; in commercial fishing.

A contractor purchasing property exempt under MGL chapter 64H, section 6(r) or (s), may sign and present this form to its vendor. The contractor bears the burden of proof of demonstrating on audit that the items purchased are or will be used in an exempt manner. In the event that the items do not qualify for exemption under section 6(r) or (s), the contractor will be liable for the tax. An exempt use certificate furnished by the contractor's customer to the contractor will not relieve the contractor from liability. See DD 07-6, "Exemptions under G.L. c. 64H, sec. 6(r) and sec. 6(s)" for further information.

Notice to Purchasers

This form is not to be used by an exempt organization (use Form ST-5), or to claim the exemption for containers used to transport food or drink off premises (use Form ST-12EC), or to claim the small business energy exemption (use Form ST-13). For further information on the proper form to use to claim an exemption for the purchase of utilities and fuel see DD 92-3.

If a purchaser makes any use of the property other than an exempt use, such property will be subject to the Massachusetts sales or use tax, as of the time the property is first used.

For any exemption claimed in line 1 or 2, the purchaser must provide a description of the exempt property. For any exemption claimed in line 6 for the purchase of gas, steam or electricity, the purchaser must provide the service locations of the qualified property and utility account numbers. Attach an additional statement if more space is needed.

A purchaser submitting a Multiple Points of Use Certificate by checking line 9 agrees to report and remit the applicable sales or use tax to the jurisdictions where the software will be used, using any reasonable, but consistent and uniform, method of apportionment that is supported by the purchaser's business records, as they exist at the time a return is filed. See TIR 05-15.

If at any time a business that has presented this certificate ceases to qualify for the exemption, it must revoke in writing the Form ST-12 it has given to its vendor(s).

For further information regarding the acceptance or use of exempt use certificates see Massachusetts Regulation, 830 CMR 64H.8.1.

Warning: Willful misuse of this certificate may result in criminal tax evasion penalties of up to one year in prison and \$10,000 (\$50,000 for corporations) in fines.

If you have any questions about the acceptance or use of this certificate, please contact: **Massachusetts Department of Revenue, Customer Service Bureau, PO Box 7010, Boston, MA 02204; (617) 887-MDOR, or toll-free in-state 1-800-392-6089.**



New York State Department of Taxation and Finance
New York State and Local Sales and Use Tax
Resale Certificate

ST-120
(1/11)

Name of seller			Name of purchaser		
Street address			Street address		
City	State	ZIP code	City	State	ZIP code

Mark an **X** in the appropriate box: Single-use certificate Blanket certificate
 Temporary vendors must issue a single-use certificate.

To the purchaser:

You may not use this certificate to purchase items or services that are not for resale. If you purchase tangible personal property or services for resale, but use or consume the tangible personal property or services yourself in New York State, you must report and pay the unpaid tax directly to New York State. Any misuse of this certificate will result in tax liabilities and substantial penalty and interest.

Purchaser information – *please type or print*

I am engaged in the business of _____ and principally sell _____
 (Contractors may not use this certificate to purchase materials and supplies.)

Part 1 – To be completed by registered New York State sales tax vendors

I certify that I am:

- a New York State vendor (including a hotel operator or a dues or admissions recipient), show vendor or entertainment vendor. My valid *Certificate of Authority* number is _____
- a New York State temporary vendor. My valid *Certificate of Authority* number is _____ and expires on _____

I am purchasing:

- A.** Tangible personal property (other than motor fuel or diesel motor fuel)
 - for resale in its present form or for resale as a physical component part of tangible personal property;
 - for use in performing taxable services where the property will become a physical component part of the property upon which the services will be performed, or the property will actually be transferred to the purchaser of the taxable service in conjunction with the performance of the service; or
- B.** A service for resale, including the servicing of tangible personal property held for sale.

Part 2 – To be completed by non-New York State purchasers

I certify that I am not registered nor am I required to be registered as a New York State sales tax vendor. I am registered to collect sales tax or value added tax (VAT) in the following state/jurisdiction _____ and have been issued the following registration number _____ (If sales tax or VAT registration is not required and a registration number is not issued by your home jurisdiction, indicate the location of your business and write **not applicable** on the line requesting the registration number.)

I am purchasing:

- C.** Tangible personal property (other than motor fuel or diesel motor fuel) for resale, and it is being delivered directly by the seller to my customer or to an unaffiliated fulfillment services provider in New York State.
- D.** Tangible personal property for resale that will be resold from a business located outside New York State.

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Type or print name and title of owner, partner, or authorized person of purchaser	
Signature of owner, partner, or authorized person of purchaser	Date prepared

Substantial penalties will result from misuse of this certificate.

Instructions

Form ST-120, *Resale Certificate*, is a sales tax exemption certificate.

This certificate is only for use by a purchaser who:

- A** – is registered as a New York State sales tax vendor and has a valid *Certificate of Authority* issued by the Tax Department and is making purchases of tangible personal property (other than motor fuel or diesel motor fuel) or services that will be resold or transferred to the purchaser's customers, or
- B** – is not required to be registered with the New York State Tax Department;
- is registered with another state, the District of Columbia, a province of Canada, or other country, or is located in a state, province, or country which does not require sellers to register for sales tax or VAT purposes; and
 - is purchasing items for resale that will be either:
 - 1) delivered by the seller to the purchaser's customer or to an unaffiliated fulfillment service provider located in New York State, or
 - 2) delivered to the purchaser in New York State, but resold from a business located outside the state.

Note: For purposes of 1) above, delivery by the seller includes delivery in the seller's own vehicle or by common carrier, regardless of who arranges for the transportation.

Non-New York State purchasers: registration requirements

If, among other things, a purchaser has any place of business or salespeople in New York State, or owns or leases tangible personal property in the State, the purchaser is required to be registered for New York State sales tax.

A business must register (unless the business can rebut the statutory presumption as described in TSB-M-08(3.1)S, *Additional Information on How Sellers May Rebut the New Presumption Applicable to the Definition of Sales Tax Vendor as Described in TSB-M-08(3)S*) for New York State sales tax if the business enters into agreements with residents of New York State under which the residents receive consideration for referring potential customers to the business by links on a Web site or otherwise, and the value of the sales in New York State made by the business through those agreements totals more than \$10,000 in the preceding four sales tax quarters. See TSB-M-08(3)S, *New Presumption Applicable to Definition of Sales Tax Vendor*, and TSB-M-08(3.1)S.

Also see TSB-M-09(3)S, *Definition of a Sales Tax Vendor is Expanded to Include Out-of-State Sellers with Related Businesses in New York State*, for information on sales tax registration requirements for out-of-state businesses with New York affiliates.

A purchaser who is not otherwise required to be registered for New York State sales tax may purchase fulfillment services from an **unaffiliated** New York fulfillment service provider and have its tangible personal property located on the premises of the provider without being required to be registered for sales tax in New York State.

If you need help determining if you are required to register because you engage in activity in New York State, contact the department (see *Need help?*).

If you meet the registration requirements and engage in business activities in New York State without possessing a valid *Certificate of Authority*, you will be subject to penalty of up to \$500 for the first day on which you make a sale or purchase, and up to \$200 for each additional day, up to a maximum of \$10,000.

Limitations on use

Contractors cannot use this certificate. They must either:

- issue Form ST-120.1, *Contractor Exempt Purchase Certificate*, if the tangible personal property being purchased qualifies for exemption as specified by the certificate, or
- issue Form AU-297, *Direct Payment Permit*, or
- pay sales tax at the time of purchase.

Contractors are entitled to a refund or credit of sales tax paid on materials used in repairing, servicing or maintaining real property, if the materials are transferred to the purchaser of the taxable service in conjunction with the performance of the service. For additional information, see Publication 862, *Sales and Use Tax Classifications of Capital Improvements and Repairs to Real Property*.

To the Purchaser

Enter all the information requested on the front of this form.

You may mark an **X** in the *Blanket certificate* box to cover all purchases of the same general type of property or service purchased for resale. If you do not mark an **X** in the *Blanket certificate* box, the certificate will be deemed a *Single-use certificate*. Temporary vendors may not issue a blanket certificate. A *temporary vendor* is a vendor (other than a show or entertainment vendor), who, in no more than two consecutive quarters in any 12-month period, makes sales of tangible personal property or services that are subject to tax.

This certificate does not exempt prepaid sales tax on cigarettes. This certificate may not be used to purchase motor fuel or diesel motor fuel.

Misuse of this certificate

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due;
- A \$50 penalty for each fraudulent exemption certificate issued;
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor. See TSB-M-09(17)S, *Amendments that Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

To the Seller

If you are a New York State registered vendor and accept an exemption document, you will be protected from liability for the tax, if the certificate is valid.

The certificate will be considered valid if it was:

- accepted in good faith;
- in the vendor's possession within 90 days of the transaction; and
- properly completed (all required entries were made).

A certificate is accepted in good faith when a seller has no knowledge that the exemption certificate is false or is fraudulently given, and reasonable ordinary due care is exercised in the acceptance of the certificate.

You must get a properly completed exemption certificate from your customer no later than 90 days after the delivery of the property or the performance of the service. When you receive a certificate after the 90 days, both you and the purchaser are subject to the burden of proving that the sale was exempt, and additional documentation may be required. An exemption certificate received on time that is not properly completed will be considered satisfactory if the deficiency is corrected within a reasonable period. You must also maintain a method of associating an invoice (or other source document) for an exempt sale made to a customer with the exemption certificate you have on file from that customer.

Invalid exemption certificates – Sales transactions which are not supported by valid exemption certificates are deemed to be taxable retail sales. The burden of proof that the tax was not required to be collected is upon the seller.

Retention of exemption certificates - You must keep this certificate for at least three years after the due date of the return to which it relates, or the date the return was filed, if later.

Need help?



Internet access: www.tax.ny.gov
(for information, forms, and publications)



Sales Tax Information Center: (518) 485-2889
To order forms and publications: (518) 457-5431



Text Telephone (TTY) Hotline
(for persons with hearing and speech disabilities using a TTY): (518) 485-5082