



809 W Russell St
Sioux Falls, SD 57104
605-336-3693

875 Cottonwood Ln
Dakota Dunes, SD 57049
605-242-2000

5822 F Street
Omaha, NE 68117
402-502-6855

13208 Cary Circle
Omaha, NE 68138
402-342-1191

1401 Action Drive
Mandan, ND 58554
701-663-5895

2311 45th Street S
Fargo, ND 58104
701-476-7777

10400 18th St SW
Cedar Rapids, IA 52404
319-329-0867

Send Credit Application to customerservice@malloyelectric.com

Malloy Website

APPLICATION FOR CREDIT

SHIPPING ADDRESS:			BILLING ADDRESS:		
FIRM NAME			ADDRESS		
ADDRESS			ADDRESS		
CITY	STATE	ZIP	CITY	STATE	ZIP
PHONE	FAX		PHONE	FAX	
OWNER'S NAME			YEARS IN BUSINESS		
MANAGER'S NAME			PURCHASER CERTIFIES PURCHASES TO BE		
BUYER'S NAME			(CHECK ONE) _____ TAX EXEMPT		
CREDIT LIMIT REQUESTED \$			_____ TAXABLE		
ARE PO NUMBERS REQUIRED? _____ YES			_____ NO		
BUSINESS TYPE/NAICS CODE			SALES TAX # _____		
			DOES YOUR COMPANY USE AN ON-LINE PORTAL FOR VENDORS _____ YES _____ NO		

PRODUCTS AND/OR SERVICES USED/NEEDED/WANTED

BANK INFORMATION

BANK #1	BANK #2
NAME	NAME
ADDRESS	ADDRESS
(IN FULL)	(IN FULL)
CITY,	CITY,
STATE & ZIP	STATE & ZIP
OFFICER	OFFICER
PHONE	PHONE
FAX	FAX

TRADE REFERENCES

BUSINESS	BUSINESS	BUSINESS
NAME	NAME	NAME
ADDRESS	ADDRESS	ADDRESS
CITY,	CITY,	CITY,
STATE & ZIP	STATE & ZIP	STATE & ZIP
ACCT. #	ACCT. #	ACCT. #
PHONE	PHONE	PHONE
FAX	FAX	FAX

AUTHORIZATION TO RELEASE CREDIT INFORMATION

We certify that all the information on this form is correct and authorize the release of any credit information necessary in order for MALLOY to process our application for credit. We fully understand your credit terms as stated on the back of this form and agree to proper payment in consideration of any credit extended.

DATE	AUTHORIZED	
SIGNED _____	SIGNATURE _____	TITLE _____

FOR MALLOY HOME OFFICE ONLY

CREDIT	CUST.	APP.		ACCT.
LIMIT \$	TYPE	BY	DATE	SLMSMN #

SALES/LIMITED WARRANTY POLICY

MINIMUM BILLING:

Orders amounting to less than \$5.00 net will be billed at \$5.00.

PRICES:

All prices are based on price in effect at time of shipment.

TERMS:

1. Net cash - 30 days from date of invoice
2. Service charge of 1 1/2% per month (18% annual rate) will be applied the first of each month on the unpaid balance. Minimum service charge is \$1.00.

RETURNED MATERIALS:

Merchandise must be returned within 60 days of the invoice.

1. Merchandise returns are accepted only upon prior authorization and subject to inspection.
2. Special order, damaged or altered materials are not returnable.
3. Authorized returns must be accompanied by our invoice number and date of purchase.
4. Authorized returns will be assessed at 15% restocking charge plus any factory return and transportation charges.
5. No return charges will be made on errors committed by MALLOY ELECTRIC.

ORIGINAL EQUIPMENT MANUFACTURERS:

1. Full OEM Discounts are allowed on orders shipped direct from the factory to our customer. Such orders are subject to factory freight, minimum billings, and term policies of each manufacturer.
2. A handling charge of 10% plus freight will be added on shipments out of our warehouse stock. Handling charge is not assessed when quantity governs the selling price.

CANCELLATIONS AND CHANGE ORDERS:

Cancellation and change orders may be made by the purchaser upon payment of charges based upon expenses incurred and commitments made by Malloy.

LIMITED WARRANTY:

We warranty the equipment repaired or fabricated by us to be free from defects in material and workmanship under normal use and service. Our obligation under this warranty is limited to replacing at our shops and product or parts which after our examination shall disclose to our satisfaction to have been defective. This must be done within 90 days after delivery to the original purchaser and be returned to us with transportation charges prepaid. We neither assume nor authorize any other person to assume for us any other liability in connection with such parts or repaired items. We shall not be liable for consequential, indirect, incidental, or exemplary damages caused by defective materials, workmanship, or delays in shipment.

TERMS AND CONDITIONS OF SALE

TERMINOLOGY:

The party to whom this is submitted will hereinafter be called the "Purchaser" and Malloy Electric and Bearing Supply will be called the "Company". The word "parties" means the Purchaser and the Company.

GENERAL CONDITIONS:

- (a) The Company reserves the right to accept or reject any proposal tendered by the Purchaser.
- (b) All proposals accepted by the Company shall be subject to all the terms and conditions stated on the face and back of this proposal form.
- (c) This proposal, when accepted by an officer of the Company, shall constitute the complete agreement between the parties hereto and it is expressly agreed and stipulated that there are no promises, representations, provisions, or understandings of any nature whatsoever pertaining to the subject matter hereof not expressly stated herein.
- (d) No modification of this proposal and no modification of any ensuing agreement shall be of any force and effect unless the same shall be in writing, signed by the duly authorized representative of the Purchaser, and thereafter accepted by an officer of the Company.
- (e) All provisions of the contract ensuing from this proposal shall be subject to all present and future restrictions and regulations of the United States or any State Government or any subdivision or agency thereof, whether imposed by legal or administrative authority or by voluntary cooperation with any agency, public or private.
- (f) The Company shall be excused from all responsibility or liability for nonperformance or delayed performance caused by any labor difficulty, fire, flood, accident, transportation difficulty, material or fuel or power shortage, war, governmental action, or any contingency of whatsoever nature beyond its control.
- (g) The Company reserves the right to substitute materials when made necessary or advisable, in the sole discretion of the Company, by governmental action or other causes beyond its control.
- (h) The provisions of the agreement ensuing from this proposal shall be interpreted and enforced in accordance with the laws of the State of South Dakota.
- (i) The provisions of the agreement ensuing from this proposal shall be binding upon the heirs, administrators, executors, legal representatives, successors or assigns to the parties hereto.
- (j) If installation is included in this quotation and contract, and the installation superintendent finds that the building is not ready for installation, it shall be the obligation of the purchaser to assume all costs occasioned by failure to supply proper information.
- (k) Purchaser agrees that should the Company employ an attorney for the collection of the contract amount (or any part thereof) the Purchaser will pay reasonable attorneys' fees, court costs, and filing fees.
- (l) It is further agreed that the F.O.B. point or place of payment (or partial payment) shall not in any way change the place of performance or venue of this contract as set forth in the above paragraph.
- (m) The Purchaser agrees that any claim or suit brought against the Company for warranty or misapplication must be filed in writing with the Company within one year from date of order and/or shipment of equipment. Venue for any suit filed for said claim shall be in Minnehaha County, South Dakota.
- (n) All electric motor warranties are based on E.A.S.A. warranty policies.

PRICES:

Unless otherwise specifically stated on the face of this proposal, all prices are subject to the following:

- (a) F.O.B. shipping point.
- (b) Price does not include any transportation, handling, unloading at building, installation and erection costs, all of which must be paid by the Purchaser.
- (c) Price does not include any applicable taxes of any kind, all which must be paid by Purchaser.
- (d) All prices are subject to revision to conform to the Company's price in effect at time of shipment.
- (e) If prices are quoted on delivered basis when installed by others, it is understood delivery is to be made to nearest freight station or railhead, and does not include any unloading costs, which must be paid by the Purchaser.

SHIPPING CONDITIONS:

Unless otherwise specifically stated on the face hereof, all deliveries and shipments are subject to the following conditions:

- (a) F.O.B. shipping point, with no transportation or other allowances.
- (b) Partial shipments may be made at the Company's sole discretion. Payment for such partial shipment shall be made in the proportion of the contract price that the partial shipment bears to the whole, in accordance with the terms of payment set forth on the face hereof.
- (c) Shipping dates are approximate. It shall be the responsibility of the Purchaser to supply the final shipping date as governed by actual building conditions. If shipment is made and the building is not ready to receive the shipment, Purchaser must arrange storage in a dry place and assume responsibility for same.

CLAIMS:

The Company's responsibility for loss, damage, delay, or non delivery ceases upon delivery of material or equipment to a public carrier, and any such claim must be filed against the carrier by the consignee or Purchaser. Claims for shortages, errors in packing, or overcharges must be made to the Company within twenty days after receipt of the shipment or such claim shall be deemed to have been waived.

CANCELLATIONS OR POSTPONEMENTS:

- (a) No contract ensuing from this proposal is subject to cancellation or postponement by the Purchaser except upon written consent of an authorized Home Office representative of the Company.
- (b) Any such duty authorized cancellation or postponement shall be subject to a charge to reimburse the Company for all costs incurred in connection therewith.
- (c) The Company reserves the right to refuse shipment during any period when, in its sole judgment, Purchaser's credit is unsatisfactory.

SIZES AND WEIGHTS:

Measurements, dimensions and weights are subject to variations and are not guaranteed by the Company.

GUARANTY AND LIMITATION OF LIABILITY:

The Company warrants the equipment or material listed on the face hereof to be free from defects in material or workmanship under normal use and service, it's obligation under this warranty being limited to the repair or replacement, f.o.b. its shop, of any part or parts of its own manufacture shall, within 90 days after date of shipment of such equipment to the Purchaser, be returned to it with transportation charges prepaid and which Company's examination shall disclose to Company's sole satisfaction to have been defective in material or workmanship; provided further that the Purchaser shall have given the Company written notice of such alleged defects promptly, and further provided that the said material or equipment shall have been maintained in its original installation or shall have been in the continuous possession of the original user. This warranty is expressly in lieu of all other warranties, expressed or implied, and of all other obligations and liabilities on Company's part. The Company neither assumes nor authorizes any person to assume for it any other liability in connection with the sale of its material or equipment. This warranty shall not apply to any material or equipment which shall have been repaired or used outside of Company's shop in any way so as in the Company's sole judgment to affect its workability or reliability, nor which has been subjected to misuse, negligence or accident of any description. Company makes no warranties whatsoever in regard to merchandise, equipment, parts, or accessories not of the Company's own manufacture, the Company's liability in such cases being limited to such adjustment, if any, as the manufacturer thereof may grant, and Purchaser waives any warranties implied by law on such items as to the Company. The Company shall not be liable for damages or delays, if such occur, on account of defective material or workmanship or delays in shipments, nor will any allowance be granted for any repairs, alterations, work done or expense insured in connection with any repairs, alterations, or replacements, except on specific written authority from its Home Office at Sioux Falls, South Dakota, therefore. The company shall in no way be liable or responsible for injuries or damages to persons or property arising out of the use or operation of the materials or equipment within described, including component parts thereof, and Purchaser hereby agrees to indemnify and save harmless the Company from all such liability and responsibility. The Company reserves the right to make any changes in design, additions to and improvements in its product without imposing any obligation upon itself to install them on its product previously manufactured. No equipment will be warranted by the Company if installed or stored outdoors, unless the factory nameplate of such equipment shall designate it to be for "outdoor" use.

MALLOY ELECTRIC

WARRANTY FOR REPAIR OF ELECTRIC MOTORS, PUMPS, GEAR REDUCERS, GENERATORS, HOISTS

A. Malloy Electric, Supplier, warrants to Purchaser that products and services furnished pursuant to the Contract will be free from defects in material and workmanship and will be of the kind and quality specified in Suppliers written quotation. The foregoing shall apply only to failures to meet said warranties which appear within one (1) year on complete rebuilds and within one-hundred and eighty (180) days on repaired only items and covering only materials and workmanship supplied by Supplier under normal use and service.

B. The conditions of any tests shall be mutually agreed upon and Supplier shall be notified of, and may be represented at, all tests that may be made or conducted. The warranties and remedies set forth herein are conditioned upon (a) proper storage, installation, use and maintenance, and conformance with any applicable recommendations of Seller, and (b) Purchaser promptly notifying Supplier of any defects and, if required, promptly making the product available for correction or cure.

C. If any product or service fails to meet the foregoing warranties, Supplier shall thereupon correct and cure any such failure either at its option (a) by repairing any defective or damaged part or parts of the products, or (b) by making available, FOB Supplier's plant or other point of shipment, any necessary repaired or replacement parts. Where a failure cannot be corrected by Suppliers, reasonable efforts, the parties will negotiate an equitable adjustment in price.

D. The preceding paragraph sets for the exclusive remedies for claims based on defect in or failure of precuts or services, whether the claim is in contract, indemnity, warranty, tort (including Supplier's negligence), strict liability or otherwise and however instituted. Upon the expiration of the warranty period, all such liability shall terminate. Purchaser shall provide Supplier with written notice of any defect within thirty (30) days of discovery of the defect.

E. The foregoing warranties are exclusive and are in lieu of all other warranties, whether written, oral, implied, or statutory. **NO IMPLIED STATUTORY WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL APPLY.** Supplier does not warrant any products or services of others which the Purchaser has designated and Supplier does not warrant for repairs, products, or services suggested or recommended by Supplier and declined by Purchaser.

F. No warranty on items that cannot be fully tested.

G. Warranty does not cover service call or freight.

06/2012

Request for Taxpayer Identification Number and Certification

Give Form to the
 requester. Do not
 send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. DMG, INC.		
	2 Business name/disregarded entity name, if different from above MALLOY ELECTRIC		
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____		4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.) 809 W. Russell		Requester's name and address (optional)
	6 City, state, and ZIP code Sioux Falls, SD 57104		
	7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number	
[] [] [] - [] [] - [] [] [] []	or
Employer identification number	
4 6 - 0 3 1 1 3 8 5	

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶ 1-31-15
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

South Dakota Streamlined Sales Tax Agreement Certificate of Exemption

Warning to purchaser:

This is a multi-state form. Not all states allow all exemptions listed on this form. Purchasers are responsible for knowing if they qualify to claim exemption from tax in the state that is due tax on this sale. The state that is due tax on this sale may be notified that you claimed exemption from sales tax.

The purchaser will be held liable for any tax and interest, and possible civil and criminal penalties imposed by the member state, if the purchaser is not eligible to claim this exemption.

1. Check if you are attaching the Multistate Supplemental form.

If not, enter the two-letter abbreviation for the state under whose laws you are claiming exemption.

2. Check if this certificate is for a Single Purchase Certificate. Invoice/purchase order # _____

3. A. Name of purchaser _____

B. Business address _____ City _____ State _____ Zip code _____

C. Purchaser's tax ID number _____ State of Issue _____ County of Issue _____

D. If no tax ID number, enter FEIN _____

E. If no ID number or FEIN, enter Driver's License Number/State Issued ID number _____ state of issue _____

F. Foreign diplomat number _____

G. Name of seller from whom you are purchasing, leasing or renting _____

H. Seller's address _____ City _____ State _____ Zip code _____

Print or type

4. **Purchaser's Type of business.** Circle the number that best describes your business.

Circle type of business

- | | |
|--|--|
| <input type="checkbox"/> 01 Accommodation and food services | <input type="checkbox"/> 11 Transportation and warehousing |
| <input type="checkbox"/> 02 Agriculture, forestry, fishing, hunting | <input type="checkbox"/> 12 Utilities |
| <input type="checkbox"/> 03 Construction | <input type="checkbox"/> 13 Wholesale trade |
| <input type="checkbox"/> 04 Finance and insurance | <input type="checkbox"/> 14 Business services |
| <input type="checkbox"/> 05 Information, publishing and communications | <input type="checkbox"/> 15 Professional services |
| <input type="checkbox"/> 06 Manufacturing | <input type="checkbox"/> 16 Education and health-care services |
| <input type="checkbox"/> 07 Mining | <input type="checkbox"/> 17 Nonprofit organization |
| <input type="checkbox"/> 08 Real estate | <input type="checkbox"/> 18 Government |
| <input type="checkbox"/> 09 Rental and leasing | <input type="checkbox"/> 19 Not a business |
| <input type="checkbox"/> 10 Retail trade | <input type="checkbox"/> 20 Other (explain) _____ |

5. **Reason for exemption.** Circle the letter that identifies the reason for the exemption.

Circle reason for exemption

- | | |
|---|--|
| A <input type="checkbox"/> Federal government (Department) _____ | H <input type="checkbox"/> Agricultural |
| B <input type="checkbox"/> State or local government (Agency) _____ | I <input type="checkbox"/> Industrial production/manufacturing <u>Does not apply in SD</u> |
| C <input type="checkbox"/> Tribal government | J <input type="checkbox"/> Direct pay permit |
| D <input type="checkbox"/> Foreign diplomat | K <input type="checkbox"/> Direct Mail |
| E <input type="checkbox"/> Charitable organization - SD Permit Required | L <input type="checkbox"/> Other (Explain) _____ |
| F <input type="checkbox"/> Religious or private educational organization - SD Permit Required | |
| G <input type="checkbox"/> Resale | |

6. *I declare that the information on this certificate is correct and complete to the best of my knowledge and belief.*

Sign here

Signature of authorized purchaser _____ Print name here _____ Title _____ Date _____

South Dakota Streamlined Sales and Use Tax Agreement
Certificate of Exemption: Multistate Supplemental

Name of Purchaser _____

State	Reason for exemption	Identification number (if required)
AR	_____	_____
IA	_____	_____
IN	_____	_____
KS	_____	_____
KY	_____	_____
MI	_____	_____
MN	_____	_____
NC	_____	_____
ND	_____	_____
NE	_____	_____
NJ	_____	_____
NV	_____	_____
OH	_____	_____
RI	_____	_____
OK	_____	_____
SD	_____	_____
TN	_____	_____
UT	_____	_____
VT	_____	_____
WA	_____	_____
W	_____	_____
WV	_____	_____
WY	_____	_____

A seller doing business in a state that is not a member of the Streamlined Agreement must obtain documentation to support exempt transactions as required by that state.

South Dakota Streamlined Sales and Use Tax Agreement (SSUTA) Certificate of Exemption Instructions

Use this form to claim exemption from sales tax on purchases of otherwise taxable items. The purchaser must complete all fields on the exemption certificate and provide the fully completed certificate to the seller in order to claim exemption.

Warning to purchaser: Purchasers are responsible for ensuring that they are eligible for the exemption being claimed. Purchasers will be held liable for any tax and interest, as well as penalties imposed by the state, if the purchase is not legally exempt.

Misuse of exemption certificates in South Dakota: Any purchaser who knowingly and intentionally purchases items for resale that he or she knows will not be resold, or provides an invalid exemption certificate with the intent to evade payment of the tax, must pay the use tax on these items and may be guilty of a Class 1 misdemeanor and fined up to 50% of the tax owed. If a business legitimately purchases an item for resale, but later uses that item, the purchaser is responsible for reporting and paying use tax on that item.

Purchaser instructions for completing the exemption certificate:

1. Some purchasers may wish to complete a single certificate for multiple states where they conduct business and regularly make exempt purchases from the same seller. If this is the case, check the box on the front of the Exemption Certificate to indicate that the *Multistate Supplemental* form is being attached.

If the Multistate Supplemental form is not being attached, enter the two-letter postal abbreviation for the state under whose laws the exemption is being claimed. For example, if claiming a sales tax exemption in Minnesota, enter "MN" in the boxes provided.

2. **Single purchase exemption certificate:** Check this box if this exemption certificate is being used for a single purchase. Include the invoice or purchase order number for the transaction.

If this box is not checked, this certificate will be treated as a blanket certificate. A blanket certificate continues in force as long as the purchaser is making recurring purchases (*at least one purchase within a period of twelve consecutive months*) or until otherwise cancelled by the purchaser.

3. **Purchaser Information:** Complete the purchaser and seller information section, as requested. Include the state tax identification number and identify the state and/or country that issued the number. If the purchaser does not have a state tax identification number, they are to enter the Federal Employer's Identification Number (FEIN) issued to the business. If no FEIN is required enter a personal driver's license number and the state in which it was issued. Foreign diplomats and consular personnel must enter the individual tax identification number shown on the sales tax exemption card issued by the US Department of State's Office of Foreign Missions.

Multistate Purchasers: The purchaser should enter the headquarters' address as the business address.

4. **Type of business:** Check the number that best describes the business or organization. If none of the categories apply, check number 20 and provide a brief description.
5. **Reason for exemption:** Check the exemption that applies to the business and enter the additional information requested for that exemption. If there is a valid exemption that is not listed, check "L Other" and enter an explanation. The explanation for "L" must include a clear and concise explanation of the reason for the exemption claimed.

Multistate Purchasers: Attach the SSUTA Certificate of Exemption – Multistate Supplemental form and indicate the applicable reason for exemption and identification number (if required) for each of the additional states in which the purchaser wishes to claim exemption from tax.

CAUTION: The exemptions listed are general exemptions most commonly allowed by states. However, each state's laws governing exemptions are different. Not all of the reasons listed may be valid exemptions in the state in which the exemption is being claimed. In addition, each state has other exemptions that may not be listed on this form. To determine what sales tax exemptions are allowed in a particular state refer to the state's website or other information available relating to that state's exemptions.

Seller: The seller is required to maintain proper records of exempt transactions and provide those records to states when requested. These certificates may be provided in paper or electronic format. Exemption certificates must be made available to states in the form it is maintained.

The seller is relieved of the responsibility for collecting and remitting sales tax on the sale(s) for which the purchaser provided the exemption certificate, even if it is ultimately determined that the purchaser improperly claimed an exemption, provided all of the following conditions are met:

1. All fields on the exemption certificate are completed by the purchaser;

2. The fully completed exemption certificate is provided to the seller at the time of sale;
3. The purchaser claims an entity-based exemption on a purchase made at a seller's location in a state that allows the exemption;
4. The seller does not fraudulently fail to collect the tax due; and
5. The seller does not solicit customers to unlawfully claim an exemption.

Reasons for Exemption – Additional Information for South Dakota Exemptions

- A. Federal Government must indicate the agency name on the certificate.
- B. State and local government agencies include public or municipal corporations of the State of South Dakota; municipal or volunteer fire or ambulance departments; and public schools, including K-12, universities and technical institutes that are supported by the State of South Dakota. For information on exemptions to government agencies from other states, see the Exempt Entity Tax Fact.

Government entities must provide an exemption certificate to the seller or the seller must keep documentation to show the purchase was paid by government funds. Documentation may include a purchase order or a check stub. Government entities are not required to list an exemption number on the exemption certificate. Agencies that have an exemption number should include that number on the certificate in Section 3, Line C. If they do not have a tax ID, they should enter their FEIN in Section 3, Line D. *Purchases made by a government employee who is later reimbursed by government funds are subject to tax at the time of purchase.*

- C. A Tribal Government must indicate the agency name on the certificate and enter their FEIN in Section 3, Line D.
- D. Foreign diplomats will have a card that contains their identification and information about the extent of their tax exemption. If the official qualifies for the exemption, they are to write the individual tax exemption number from the card in Section 3, Line F.
- E. Charitable organizations in South Dakota are approved Relief Agencies. Relief Agencies must have a tax exempt permit from the Department of Revenue that includes the letters "RA". Enter the permit number in Section 3, Line C.
- F. Religious and private schools must have a tax exempt permit from the Department of Revenue that includes the letters "RS" or "RE". Enter the permit number in Section 3, Line C. **Churches are NOT exempt from South Dakota sales tax.**

Employee purchases – The exemption from sales tax for religious and private schools does not extend to the purchase of products or services for the personal use of officials, members, or employees of such institutions.

- G. Resale or Re-lease – Enter the tax ID number in Section 3, Line C. South Dakota tax permits containing the letters "UT" or "ET" cannot be used to purchase products for resale or re-lease.
- H. Agricultural Products – Purchasers of products and services that are exempt when used exclusively by the purchaser for agricultural purposes must complete an exemption certificate if there is doubt by the seller as to the intended usage. **Tax Exemption for Repairs, Repair Parts, and Maintenance items and Services** – Maintenance items, services and repairs, including parts, for farm machinery, farm machinery attachments units, and irrigation equipment used primarily for agricultural purposes are exempt from sales tax. Exempt parts must replace a part for farm machinery, farm machinery attachment unit, or irrigation equipment. The part must have a specific or generic part number assigned to it by the farm implement manufacturer. South Dakota does not require a tax ID number when purchasing exempt agricultural products or services for agricultural use. Purchasers from states other than South Dakota should provide their FEIN (Line D) or Driver's License (Line E).
- I. Industrial production/manufacturing – South Dakota does not exempt Industrial or manufacturing equipment, therefore this exemption is not valid in South Dakota.
- J. Direct Pay Permit – A South Dakota direct pay permit holder may purchase products exempt from sales tax and then remit the use tax directly to the state. Enter the tax ID number in Section 3, Line C. Direct pay permits from other states are not valid in South Dakota.
- K. Direct Mail – A purchaser of direct mail may purchase the service exempt from tax and then remit the use tax. Enter the tax ID number in Section 3, Line C.
- L. Other – The reason must be valid and the purchaser must include a clear and concise explanation of the reason for the exemption claimed. For example, non-profit charitable hospitals are exempt from sales tax and may use this reason code for exempt purchases. The exemption for non-profit charitable hospitals does not extend to the purchase of products or services for the personal use of officials, members, or employees.

For additional information please contact our office at www.state.sd.us/drr or by calling 1-800-829-9188.