



35 SAWGRASS DRIVE, SUITE 3  
BELLPORT, NEW YORK 11713

TEL: \_\_\_\_\_

FAX: \_\_\_\_\_

Email: \_\_\_\_\_

SALESPERSON \_\_\_\_\_

DATE: \_\_\_\_\_

CUSTOMER #: \_\_\_\_\_

### **NEW CUSTOMER APPLICATION**

**WE WISH TO OPEN AN ACCOUNT WITH YOUR COMPANY AND SUBMIT THE FOLLOWING INFORMATION TO  
ENABLE YOU TO OBTAIN A CREDIT HISTORY FOR THAT PURPOSE.**

COMPANY NAME \_\_\_\_\_

TRADE NAMES OR DBA NAMES \_\_\_\_\_

ADDRESS \_\_\_\_\_ CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PHONE \_\_\_\_\_ FAX \_\_\_\_\_ YEARS ESTABLISHED \_\_\_\_\_

LIST NAMES OF ALL PRINCIPAL OWNERS:

\_\_\_\_\_  
\_\_\_\_\_

TYPE OF BUSINESS: ☐ RETAIL PHARMACY ☐ DRUG WHOLESALER ☐ SPECIALTY PHARMACY  
☐ MEDICAL DISTRIBUTOR ☐ OTHER (SPECIFY) \_\_\_\_\_

BUSINESS TYPE: ☐ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LLC

#### **PLEASE PROVIDE LICENSE NUMBERS FOR THE FOLLOWING:**

- DEA Registration (if applicable): \_\_\_\_\_
- State License : \_\_\_\_\_
- State Controlled Substance License (if applicable): \_\_\_\_\_
- Pharmacist-in-Charge License: \_\_\_\_\_
- Do you hold any additional license(s)? (Ex: Wholesaler/Distributor, Manufacturer, Medical)  
Yes \_\_\_\_\_ No \_\_\_\_\_ if yes, please provide license number(s): \_\_\_\_\_

**WHOLESALERS ONLY:** Are you registered on the FDA website? Yes \_\_\_\_\_ No \_\_\_\_\_ N/A \_\_\_\_\_

### **PLEASE ACKNOWLEDGE AND INITIAL**

Customer is responsible for notifying Seller within 30 days in the event there are any changes in ownership, new address, any change in license status, any license expiration, lapse in effectiveness or license modification, and any additions or substitutions of pharmacists in charge.

\_\_\_\_\_  
(Initials)



COMPANY NAME: \_\_\_\_\_

**PLEASE ANSWER ALL OF THE FOLLOWING QUESTIONS:**

1. Federal Tax ID # \_\_\_\_\_ Resale # \_\_\_\_\_
2. Hours of operation \_\_\_\_\_ Number of scripts per day \_\_\_\_\_
3. Forms of payment accepted from patients/customers \_\_\_\_\_
4. Is there anyone at this location licensed to **prescribe** medications? *If so, provide names, positions and license number(s)* \_\_\_\_\_
5. Is there anyone at this location other than the pharmacist-in-charge licensed to **dispense** medications? *If so, provide names, positions and license number(s)* \_\_\_\_\_
6. Has any of the applicant's licenses ever been denied, revoked or suspended? \_\_\_\_\_
7. Do you have a website? If so, what is the website address? \_\_\_\_\_
8. Do you offer any prescription drugs for sale on your website? Yes \_\_\_\_\_ No \_\_\_\_\_
9. Do you offer any controlled substances for sale on your website? Yes \_\_\_\_\_ No \_\_\_\_\_
10. Are you a Verified Internet Pharmacy Practice Site (VIPPS) approved by the NABP? Yes \_\_\_ No \_\_\_
11. Do you dispense any controlled substances without at least verifying the legitimacy of the prescription with the prescribing physician? Yes \_\_\_\_\_ No \_\_\_\_\_
12. Attached hereto as **Exhibit A** are the Terms and Conditions of sale governing all your purchases from QK Healthcare.
13. Attached hereto as **Exhibit B** is a Website Confidentiality Agreement.

BANK NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

ACCOUNT # \_\_\_\_\_ PHONE # \_\_\_\_\_ FAX # \_\_\_\_\_

Acknowledged and Agreed to by: \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

Print Name: \_\_\_\_\_ Title/Position: \_\_\_\_\_

Email: \_\_\_\_\_

**\*\*NOTE: The signor of this application must be an authorized signor for the company's financial account(s). For bank reference purposes, please include the email address of the individual who is authorized to approve the reference.\*\***

By signing in the space provided above, you are certifying to the accuracy of the information set forth in this Application for Credit and agreeing to be bound by the Terms and Conditions that are attached hereto as Exhibit "A" with respect to all purchases that you make from QK Healthcare, and further agree to be bound by the Website Confidentiality Agreement that is attached hereto as Exhibit B. The Terms and Conditions and Website Confidentiality Agreement are hereby incorporated by reference and shall become an integral part of this Application for Credit.



## TERMS AND CONDITIONS

QK Healthcare (“Seller”) appreciates the opportunity to serve your business needs as our Customer. For your convenience, our conditions of sale are set forth below.

1. All claims for damages, shortages, shipping errors and other alleged failures to conform to Customer’s order must be made in writing by Customer within 2 business days after Customer’s receipt of goods. Customer’s failure to comply with the foregoing constitutes a waiver by Customer of any such claim.

2. All returns must be pre-approved by Seller. Seller will not accept the return of any product unless the returned product is the very product that Customer purchased from Seller and both the NDC and lot numbers of the returned product exactly match the NDC and lot numbers of the product that Seller sold to Customer. All items for return must be stored and transported within the acceptable temperature range as specified on product labeling. Any return for a reason other than Seller’s error will be subject to a 30% handling charge. No term discounts will be allowed for returned merchandise.

3. Terms are NET 30 DAYS from date of invoice (without offset or deduction) unless different terms are otherwise required by Seller. There shall be a 2% per month (24% annualized) interest charge on any outstanding balances that are past their due date. In addition, there will be a charge of \$25.00 imposed for each check or ACH payment returned or rejected for insufficient funds. In the event of default in payment by Customer requiring Seller to pursue collection of any unpaid balance, Seller shall be entitled to recover costs, fees and expenses, including but not limited to recovery of reasonable attorney’s fees, court and collections costs, whether or not suit is commenced.

4. Customer represents and covenants that it does not offer controlled substances for sale to any customers on any website unless Customer possesses a registration that was issued under 21 CFR §1301.13 and is authorized by the DEA to dispense controlled substances by means of the internet or online pharmacy. Customer further represents and covenants that should the customer offer controlled substances to any customers on any website, that it does so in compliance with all applicable statutory and regulatory requirements governing such sales under both federal and state law.

5. Acceptance by Customer of Seller’s goods shall constitute a firm contract on all the terms and conditions set forth herein. Inconsistent terms contained in any purchase order or other documents are expressly rejected and shall not become a part of any contract between Customer and Seller unless embodied in a writing signed by the Seller. The contract between Customer and Seller that embodies these terms shall be governed by and construed according to the internal laws of the State of New York.

6. Security Agreement. In the event this application is approved, as collateral security for on time and complete payment and performance of all of Customer’s present or future indebtedness, obligations and liabilities to Seller (the “Obligations”), Customer hereby grants to Seller a continuing security interest in, and mortgage to the following (the

### EXHIBIT “A”

RC-AC-002 (Revision 9) 6-22-20

“Collateral”): all (i) goods, including, without limitation, all goods now or hereafter delivered on credit to Customer pursuant to this Terms and Conditions Agreement, (ii) inventory, (iii) equipment; (iv) instruments, (v) documents, (vi) accounts, (vii) accounts receivable, (viii) general intangibles, (ix) deposit accounts, (x) investment property, (xi) payment intangibles in which Customer now has or hereafter acquires any right or interest, and the proceeds, insurance proceeds and products thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto, and (xii) intellectual property. Further, Seller shall be permitted to file a UCC-1 financing statement to perfect this security interest.

7. Customer acknowledges and agrees that all pricing and inventory information provided by Seller constitutes confidential and proprietary information that Customer shall keep in the strictest confidence. Customer will not share such information with any third parties including without limitation other wholesalers, manufacturers or retailers.

8. Customer is responsible for notifying Seller within 30 days in the event there are any changes in ownership, new address, any change in license status, any license expiration, lapse in effectiveness or license modification, and any additions or substitutions of pharmacists in charge.

9. Customer acknowledges that a) orders placed after 5pm EST may not ship until the following business day, and b) that CII items may be purchased using the QKRX website, if customer has a valid CSOS signing certificate issued by the DEA and a valid DEA registration. Otherwise, a 222 form must be mailed in; please contact your representative for an instruction sheet on 222 mailings.

10. Customer understands and agrees that from time-to-time Seller will extend offers to Customer, and Seller shall transmit such offers by way of facsimile to the Customer’s fax number set forth on the Application for Credit, and/or by electronic mail to the email address set forth on the Application for Credit. Customer expressly consents to receive such facsimile transmissions and emails. The Customer and/or recipient of the fax or email may request that no future faxes or electronic mail be sent, and failure of Seller to comply with this request within thirty (30) days is unlawful. To Opt-Out of receiving these faxes or emails, Customer may notify Seller by facsimile at: (631) 439-2218 or by telephone at (631) 439-2097, or toll-free at (855)742-7679, or email to [donotfax@qkd.com](mailto:donotfax@qkd.com).

11. Customer acknowledges that items known by Seller to be in short supply will be priced accordingly and allocated based on past purchase history, among other factors. Consequently, quantity and/or price are subject to change at any time in Seller’s sole discretion.

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(Initials)



**AGREEMENT TO ACCESS: [WWW.QKRX.COM](http://WWW.QKRX.COM)**

**PLEASE PROVIDE EMAIL ADDRESS YOU WILL USE TO ACCESS WEBSITE, AND  
SIGN WHERE INDICATED BELOW.**

**CONFIDENTIALITY AGREEMENT**

Dear Customer:

QK Healthcare, Inc. ("QKH") will be providing to the undersigned (hereinafter "Customer") access to information and data through the [www.qkrx.com](http://www.qkrx.com) website relating to sales of products, pending and completed transactions and other related information. This information and data, as described in more detail below shall be deemed "Confidential Information" and is confidential. Pursuant to the terms set forth below, customer agrees to keep such information confidential. Please sign where indicated below to indicate Customer's agreement with these terms and return the signed Agreement to QKH as soon as possible.

A. Definition of Confidential Information

"Confidential Information includes without limitation, all information relating to sales, purchases, pricing, quantities, invoices, purchase orders, shipping and receiving information, product descriptions, inventory quantities and any attributes of QKH's inventory, related data compilations, service level data, reports and analyses of data, accounts receivable and/or accounts payable information, processes and technology, ideas and research, inventions, copyrights, trademarks and patents, contracts, licenses, business strategies and other financial and business information that may be made available to Customer through this website.

B. Obligation to Secrecy

Customer agrees to restrict disclosures of such Confidential Information to any of its employees, consultants or agents as may have an absolute need to know such information in order to perform their services for Customer, and then only to the employees, consultants or agents under the conditions noted above, such Confidential Information shall be retained in secret, shall not be utilized in competition with QKH and shall not be disclosed to others unless the information (i) was known to Customer prior to disclosure by QKH, (ii) was publicly made available to Customer at the time of disclosure by QKH by virtue of a printed publication or in



some other medium that is reproducible; (iii) subsequently becomes available by virtue of a printed publication or some other reproducible medium through no fault of Customer; (iv) was rightfully acquired by Customer subsequent to disclosure by QKH from a third-party who is not in breach of a confidential relationship with regard to such information, or (v) was independently developed by or on behalf of Customer prior or subsequent to disclosure by QKH as evidenced by written documents.

C. Return of Property

Upon request, Customer shall immediately return to QKH all property, including without limitation, all papers, records, documents, summaries, samples and the like of every kind, and any and all copies thereof, provided to it by QKH and shall destroy all materials, including without limitation, all papers, records, documents, summaries and the like of every kind and any and all copies thereof which the party, its employees, consultants or agents, created based upon the confidential information provided by QKH.

D. Equitable Remedies

It is recognized and agreed to by the parties hereto that irreparable damage would results from the breach of this Confidentiality Agreement. Customer agrees that QKH shall have the remedy of a restraining order or other appropriate equitable relief to enforce this Confidentiality Agreement. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York, without regard to its choice of law provisions.

Sincerely,  
QK HEALTHCARE, INC.

Accepted by Customer  
Of Confidentiality Agreement

SIGNATURE: \_\_\_\_\_

EMAIL: \_\_\_\_\_

PASSWORD: \_\_\_\_\_

(for QK Healthcare, Inc.'s website access)



## Resale Certificate

Name of seller QK Healthcare, Inc.	Name of purchaser
Street address 35 Sawgrass Drive	Street address
City Bellport	City
State New York	State
ZIP code 11713	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](http://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



**State of New Jersey  
DIVISION OF TAXATION**

The seller must collect the tax on a sale of taxable property or services unless the purchaser gives him a fully completed New Jersey exemption certificate.

**SALES TAX  
FORM ST-3**

PURCHASER'S NEW JERSEY  
TAXPAYER REGISTRATION NUMBER\*

**RESALE CERTIFICATE**

To be completed by purchaser and given to and retained by seller. See instructions on back.  
Seller should read and comply with the instructions given on both sides of an exemption certificate.

TO \_\_\_\_\_ QK Healthcare, Inc.

(Name of Seller)

Date \_\_\_\_\_

35 Sawgrass Drive

Address

Bellport

City

New York

State

11713

Zip

The undersigned certifies that:

- (1) He holds a valid Certificate of Authority (number shown above) to collect State of New Jersey Sales and Use Tax.
- (2) He is principally engaged in the sale of (indicate nature of merchandise or service sold):

\_\_\_\_\_

\_\_\_\_\_

- (3) The merchandise or services being herein purchased are described as follows:

\_\_\_\_\_

\_\_\_\_\_

- (4) The **merchandise** described in (3) above is being purchased: *(check one or more of the blocks which apply)*

- (a) -- For resale in its present form.
- (b) -- For resale as converted into or as a component part of a product produced by the undersigned.
- (c) -- For use in the performance of a taxable service on personal property, where the property which is the subject of this Certificate becomes part of the property being serviced or is later transferred to the purchaser of the service in conjunction with the performance of the service.

- (5) The services described in (3) above are being purchased: *(check the block which applies)*

- (a) -- By a seller who will either collect the tax or will resell the services.
- (b) -- To be performed on personal property held for sale.

I, the undersigned purchaser, have read and complied with the instructions and rules promulgated pursuant to the New Jersey Sales and Use Tax Act with respect to the use of the Resale Certificate, and it is my belief that the seller named herein is not required to collect the sales or use tax on the transaction or transactions covered by this Certificate. The undersigned purchaser hereby swears under the penalties for perjury and false swearing that all of the information shown in this Certificate is true.

NAME OF PURCHASER\*

(as registered with the New Jersey Division of Taxation)

(Address of Purchaser)\*

Type of Business\*

By

(Signature of owner, partner, officer of corporation, etc.)\*

(Title)

\*Required

**MAY BE REPRODUCED**  
(Front & Back Required)

### INSTRUCTIONS FOR USE OF RESALE CERTIFICATES – ST-3

1. Registered sellers who accept fully completed exemption certificates within 90 days subsequent to the date of sale are relieved of liability for the collection and payment of sales tax on the transactions covered by the exemption certificate. The following information must be obtained from a purchaser in order for the exemption certificate to be fully completed:
  - Purchaser's name and address;
  - Type of business;
  - Reasons(s) for exemption;
  - Purchaser's New Jersey tax identification number or, for a purchaser that is not registered in New Jersey, the Federal employer identification number or out-of-State registration number. Individual purchasers must include their driver's license number;
  - If a paper exemption certificate is used (including fax), the signature of the purchaser.

The seller's name and address are not required and are not considered when determining if an exemption certificate is fully completed. A seller that enters data elements from paper into an electronic format is not required to retain the paper exemption certificate.

The seller may, therefore, accept this certificate as a basis for exempting sales to the signatory purchaser and is relieved of liability even if it is determined that the purchaser improperly claimed the exemption. If it is determined that the purchaser improperly claimed an exemption, the purchaser will be held liable for the nonpayment of the tax.

2. **Retention of Certificates** – Certificates must be retained by the seller for a period of not less than four years from the date of the last sale covered by the certificate. Certificates must be in the physical possession of the seller and available for inspection.
3. **Acceptance of an exemption certificate in an audit situation** – On and after October 1, 2011, if the seller either has not obtained an exemption certificate or the seller has obtained an incomplete exemption certificate, the seller has at least 120 days after the Division's request for substantiation of the claimed exemption to either:

1. Obtain a fully completed exemption certificate from the purchaser, taken in good faith, which, in an audit situation, means that the seller obtain a certificate claiming an exemption that:
  - (a) was statutorily available on the date of the transaction, and
  - (b) could be applicable to the item being purchased, and
  - (c) is reasonable for the purchaser's type of business; OR
2. Obtain other information establishing that the transaction was not subject to the tax.

If the seller obtains this information, the seller is relieved of any liability for the tax on the transaction unless it is discovered through the audit process that the seller had knowledge or had reason to know at the time such information was provided that the information relating to the exemption claimed was materially false or the seller otherwise knowingly participated in activity intended to purposefully evade the tax that is properly due on the transaction. The burden is on the Division to establish that the seller had knowledge or had reason to know at the time the information was provided that the information was materially false.

4. **Additional Purchases by Same Purchaser** – This certificate will serve to cover additional purchases by the same purchaser of the same general type of property. However, each subsequent sales slip or purchase invoice based on this Certificate must show the purchaser's name, address and New Jersey, Federal, or out of state registration number for purpose of verification.
5. **Retention of Certificates** – Certificates must be retained by the seller for a period of not less than four years from the date of the last sale covered by the certificate. Certificates must be in the physical possession of the seller and available for inspection on or before the 90th day following the date of the transaction to which the certificate relates.

### EXAMPLES OF PROPER USE OF RESALE CERTIFICATE

- a. A retail household appliance store owner issues a Resale Certificate when purchasing household appliances from a supplier for resale.
- b. A furniture manufacturer issues a Resale Certificate to cover the purchase of lumber to be used in manufacturing furniture for sale.
- c. An automobile service station operator issues a Resale Certificate to cover the purchase of auto parts to be used in repairing customer cars.

### EXAMPLES OF IMPROPER USE OF RESALE CERTIFICATE

In the examples below, the seller should not accept Resale Certificates, but should insist upon payment of the sales tax.

- a. A lumber dealer can not accept a Resale Certificate from a tire dealer who is purchasing lumber for use in altering his premises.
- b. A distributor may not issue a Resale Certificate on purchases of cleaning supplies and other materials for his own office maintenance, even though he is in the business of distributing such supplies.
- c. A retailer may not issue a Resale Certificate on purchases of office equipment for his own use, even though he is in the business of selling office equipment.
- d. A supplier can not accept a Resale Certificate from a service station owner who purchases tools and testing equipment for use in his business.

**REPRODUCTION OF RESALE CERTIFICATE FORMS:** Private reproduction of both sides of Resale Certificates may be made without the prior permission of the Division of Taxation.

**FOR MORE INFORMATION:** Read publication S&U-6 (Sales Tax Exemption Administration).

<http://www.state.nj.us/treasury/taxation/pdf/pubs/sales/su6.pdf>

### DO NOT MAIL THIS FORM TO THE DIVISION OF TAXATION

This form is to be completed by purchaser and given to and retained by seller.

**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 QK Healthcare, Inc. 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