UNIFORM SALES & USE TAX RESALE CERTIFICATE—MULTIJURISDICTIONAL

The below-listed states have indicated that this certificate is acceptable as a resale/exemption certificate for sales/use tax, subject to the instructions and notes on pages 2–6. The issuing Buyer (may also be referred to as Customer or Purchaser) has the sole responsibility to determine the proper use of this certificate under applicable laws in each state, as these may change from time to time.

Issued to Seller: Bandwidth Inc.

Name of Firm (Buyer): _____

is engaged or is registered as a

☐ Wholesaler ☐ Retailer ☐ Manufacturer

☐ Seller ☐ Lessor (see notes on Instructions) ☐ Other (Specify) _____

and is registered for sales/use tax with the below-listed states and cities within which Seller would deliver purchases to Buyer and that any such purchases are for wholesale, resale, or ingredients or components of a new product or service to be resold, leased, or rented in the normal course of business. Buyer is in the business of wholesaling, retailing, manufacturing, leasing (renting), or selling the following:

Description of Business:

_____

General description of tangible property or taxable services to be purchased from the Seller:

_____

State	State Registration, Seller's Permit, or ID Number of Purchaser	State	State Registration, Seller's Permit, or ID Number of Purchaser
AK/ARSSTC[1]		MO[19]	
AL[2]	Provide state specific form (AL ST: EX-A3)	NE	
AR		NV[20]	
AZ[3]		NJ	
CA[4]	U☐☐☐☐C	NM[5,21]	Provide state specific form (NM NTTC)
CO[5,6]		NC[22]	
CT[7]		ND	
FL[8]	Provide state specific form (FL DR-13)	OH[23]	
GA[9]		OK[24]	
HI[5,10]	Provide state specific form (HI G-17)	PA[25]	
ID[11]		RI[26]	
IL[5,12]	Provide state specific form (IL CRT-61)	SC	
IA		SD[27]	
KS[13]		TN[28]	
KY[14]	Provide state specific form (KY 51A105)	TX[29]	
ME[15]		UT	
MD[16]		VT[30]	
MI[17]		WA[31]	Provide state specific form (WA Reseller Permit)
MN[18]		WI[32]	

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I further certify that if any property or service so purchased tax-free is used or consumed by Buyer so as to make it subject to sales/use tax, Buyer will pay the tax due directly to the proper taxing authority when state law so provides or inform the Seller for added tax billing. This certificate shall be a part of each order that Buyer may hereafter give to Seller, unless otherwise specified, and shall be valid until canceled by Buyer in writing or revoked by the city or state.

BY EXECUTING THIS CERTIFICATION, CUSTOMER CERTIFIES UNDER PENALTY OF PERJURY THAT CUSTOMER IS SOLELY RESPONSIBLE FOR THE COLLECTION AND REMITTANCE OF APPLICABLE TAXES, FEES, AND SURCHARGES ASSOCIATED WITH THE SERVICES PROVIDED TO CUSTOMER BY BANDWIDTH, AS IDENTIFIED FOR BILLING PURPOSES BY THE ACCOUNT NUMBERS LISTED.

Name (Print):_____

SIGN

Authorized Signature: _____

(Owner, Partner, or Corporate Officer, or other authorized signer of Buyer)

Title: _____ Date: _____

Billing Account Number and Provisioning Account Numbers to which this Certification applies (BLANK or "ALL" not sufficient; account numbers are located on your invoice):

Billing Account Number: BW-_____

Provisioning Account Information:

- ☐ a. All Provisioning Account Numbers associated with Billing Account Number listed above
- ☐ b. Only the Provisioning Account Numbers listed in Table A below.

Table A

Bandwidth Inc. – Confidential Information

INSTRUCTIONS

In order to comply with state and local sales tax law requirements, the Seller must have in its files a properly completed exemption certificate from all of its customers (Buyers) who claim a sales/use tax exemption. If the Seller does not have this certificate, it is obliged to collect the tax for the state in which the property or service is delivered.

Generally, a Buyer must be registered as a retailer for sales/use tax in states where the Buyer has sales/use tax nexus. The sales/use tax registration number for the state should be entered on this certificate in the box for that state. A Buyer has sales/use tax nexus in a state if the Buyer has physical presence in that state or has made sufficient sales to customers in that state to have sales/use tax economic nexus. The threshold of sales activity needed to establish sales/use tax economic nexus may differ by state. If the Buyer is entitled to claim a resale sales tax exemption or exclusion, the Buyer should complete the certificate and send it to the Seller at the time of purchase or as soon thereafter as possible. If the Buyer purchases tax free for a reason other than resale, ingredient or component exemption, the Buyer cannot use this form and must provide to the Seller the proper state exemption certificate for that specific exemption.

Caution: Misuse of this certificate by Buyer, Seller, lessor, lessee, or the representative thereof may be punishable by fine, imprisonment or loss of right to issue or accept a certificate in some states or cities.

Notes:

1. Alaska Remote Sellers Sales Tax Commission (ARSSTC): This certificate is valid as a resale certificate only if it contains the purchaser's name, address, signature and either the purchaser's ARSSTC Remote Reseller Certificate of Exemption number or the purchaser's resale certificate number issued by the local taxing jurisdiction. The purchaser should also provide a general description of the tangible personal property or taxable services that are being purchased from the seller. The purchaser's claim for exemption may be verified by calling the ARSSTC at 907-790-5300.

2. Alabama: Each retailer shall be responsible for determining the validity of a purchaser's claim for exemption.

3. Arizona: This certificate may be used only when making purchases of tangible personal property for resale in the ordinary course of business, and not for any other statutory deduction or exemption. It is valid as a resale certificate only if it contains the purchaser's name, address, signature, and Arizona transaction privilege tax (or other state sales tax) license number, as required by Arizona Revised Statutes § 42-5022, Burden of proving sales not at retail.

4. California:

a) This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to the provisions of Title 18, California Code of Regulations, Section 1668 (Sales and Use Tax Regulation 1668, Resale Certificate).

b) By use of this certificate, the purchaser certifies that the property is purchased for resale in the regular course of business in the form of tangible personal property, which includes property incorporated as an ingredient or component of an item manufactured for resale in the regular course of business.

c) When the applicable tax would be sales tax, it is the Seller who owes that tax unless the Seller takes a timely and valid resale certificate in good faith.

d) A valid resale certificate is effective until the issuer revokes the certificate.

5. Colorado, Hawaii, Illinois, and New Mexico: These states do not permit the use of this certificate to claim a resale exemption for the purchase of a taxable service for resale.

6. Colorado: Sellers should review 1 Code Colo. Regs. 201-1, Rule 39-26-105-3 (Documenting Exempt Sales) prior to accepting this form. The Colorado Department of Revenue collects and administers the state sales and use taxes and the sales and use taxes of certain cities, counties, and special districts (see department publication DR 1002). Use of this form (along with the other documentation required by department rule) is acceptable for taxes administered by the Colorado Department of Revenue. This form may not be accepted by self-collecting Colorado home-rule cities. Sellers are advised to contact those cities directly for further instruction.

7. Connecticut: This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to Conn. Gen. State §§12-410(5) and 12-411(14) and regulations and administrative pronouncements pertaining to resale certificates. The good faith of the seller will be questioned if it has knowledge of facts which give rise to a reasonable inference that the purchaser does not intend to resell the property, as, for example, knowledge that the purchaser of particular merchandise (or service) is not engaged in the business of selling that kind of merchandise (or service).

8. Florida: Allows the Multistate Tax Commission's Uniform Sales and Use Tax Resale Certificate – Multi-jurisdiction for tax-exempt purchases for resale; however, the selling dealer must also obtain a resale authorization number from the Florida Department of Revenue at floridarevenue.com/taxes/certificates, or by calling 877-357-3725, and entering the purchaser's Florida Annual Resale Certificate number.

9. Georgia:

a) The purchaser's state-of-registration number will be accepted in lieu of Georgia's registration number when the purchaser is located outside Georgia, does not have nexus with Georgia, and the tangible personal property is delivered by drop shipment to the purchaser's customer located in Georgia.

b) The certificate relieves the seller from the burden of proof on sales for resale if the seller acquires from the purchaser a properly completed certificate, taken in good faith, from a purchaser who: (i) Is engaged in the business of selling tangible personal property; (ii) Has a valid sales tax registration number at the time of purchase and has listed his or her sales tax number on the certificate; and (iii) At the time of purchasing the tangible personal property, the seller has no reason to believe that the purchaser does not intend to resell it in his or her regular course of business.

10. Hawaii: Allows this certificate to be used by the seller to claim a lower general excise tax rate or no general excise tax, rather than the buyer claiming an exemption. The no tax situation occurs when the purchaser of imported goods certifies to the seller, who originally imported the goods into Hawaii, that the purchaser will resell the imported goods at wholesale. If the lower rate or no-tax does not in fact

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apply to the sale, the purchaser is liable to pay the seller the additional tax imposed. See Hawaii Dept. of Taxation Tax Information Release No. 93-5, November 10, 1993, and Tax Information Release No. 98-8, October 30, 1998.

11. Idaho: This certificate may be used only when making purchases of tangible personal property for resale in the ordinary course of business, and not for any other statutory deduction or exemption. It is valid as a resale certificate only if it complies with Idaho Code Section 63-3622(c).

12. Illinois: Use of this certificate in Illinois is subject to the provisions of 86 Ill. Adm. Code Ch. I, Sec. 130.1405 (Seller's Responsibility to Obtain Certificates of Resale and Requirements for Certificates of Resale). Illinois does not have an exemption for sales of property for subsequent lease or rental, except as follows: (i) a motor vehicle that is used for automobile renting subject to the Automobile Renting Occupation and Use Tax Act (35 ILCS 120/2-5(7)) and (ii) merchandise that the purchaser certifies is purchased to be rented subject to the Rental Purchase Agreement Occupation and Use Tax Act (35 ILCS 120/2-5(43)). Buyers purchasing items for lease or rental that meet either of these two exceptions should not use this Uniform Sales and Use Tax Resale Certificate, but instead must provide to Sellers proof of registration for the Automobile Renting Occupation and Use Tax or the Rental Purchase Agreement Occupation and Use Tax, as appropriate, and, in the case of the Rental Purchase Agreement Occupation and Use Tax, should use Form ST-261 (Exemption Certificate for Property Subject to Rental Purchase Agreement Tax). The use of this certificate for claiming resale purchases of services does not have any application in Illinois. The registration number to be supplied next to Illinois on page 1 of this certificate must be the Illinois registration or resale number; no other state's registration number is acceptable. "Good faith" is not the standard of care to be exercised by a retailer in Illinois. A retailer in Illinois is not required to determine whether the purchaser actually intends to resell the item. Instead, a retailer must confirm that the purchaser has a valid registration or resale number at the time of purchase. If a purchaser fails to provide a certificate of resale at the time of sale in Illinois, the seller must charge the purchaser tax. While there is no statutory requirement that blanket certificates of resale be renewed at certain intervals, blanket certificates should be updated periodically, and no less frequently than every three years.

13. Kansas: Purchaser must enter a valid Kansas Registration Number issued by the Kansas Department of Revenue. Exemption certificates must be obtained from the purchaser at the time of the sale, but no later than 90 days subsequent to the date of sale. This resale certificate may only be used as a resale exemption certificate or ingredient or component part exemption certificate. This resale certificate may not be used by contractors to purchase materials without sales tax. This resale certificate may not be used by Manufacturing Companies to purchase machinery and equipment without sales tax. See Kansas Certificate ST-201. This resale certificate need not be renewed or updated when there is a recurring business relationship between the buyer and seller. A recurring business relationship exists when a period of no more than 12 months elapses between sales transactions. This resale certificate cannot be used by contractors to purchase labor services from other contractors without tax.

14. Kentucky:

a) Kentucky does not permit the use of this certificate to claim a resale exclusion for the purchase of admissions.

b) This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to the provisions of Kentucky Revised Statute 139.270.

c) The use of this certificate by the purchaser constitutes the issuance of a blanket certificate in accordance with Kentucky Administrative Regulation 103 KAR 31:111.

15. Maine: This state does not have an exemption for sales of property for subsequent lease or rental. This certificate is not valid for use by manufacturers purchasing tangible personal property that becomes an ingredient or component part of a product manufactured by the manufacturer. Please use Maine's Industrial Users Exemption Certificate (ST-A-117).

16. Maryland: This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to the provisions of Md Tax – Gen §11-408(b). All claims for the resale exclusion, even those made with this certificate, must include the Buyer's Maryland sales and use tax registration number. Certificates without a Maryland sales and use tax registration number will not be honored by the State. However, in lieu of a sales and use tax registration number, sellers may accept resale certificates that bear the exemption number issued to a religious organization. Exemption certifications issued to religious organizations consist of 8 digits, the first two of which are always "29". Maryland sales and use tax registration numbers, exemptions, and direct pay numbers may be verified on the website of the Comptroller of the Treasury at www.marylandtaxes.gov.

17. Michigan: Blanket certificates are effective for a period of four years unless a lesser period is mutually agreed to and stated on this certificate. A seller who receives and maintains a record of a properly completed certificate is not generally liable for sales or use tax on the transaction, even if a purchaser improperly claims an exemption. There are certain limited situations in which a seller can be liable for the tax, such as those involving fraud on the part of the seller. For more information, see Revenue Administrative Bulletin (RAB) 2016-14.

18. Minnesota: Purchaser's Minnesota tax identification number should be inserted into the row labeled "MN" in the state chart on page 1. If purchaser does not have a Minnesota tax identification number, the following are acceptable: Purchaser's tax identification number issued by a state other than Minnesota and the name of the state; Purchaser's federal Employer Identification Number; The number of Purchaser's valid state-issued driver's license, or a valid state-issued identification number, along with the state of issue. Purchaser must identify purchaser's type of business using Minnesota's business-type coding system. Check the correct box near the top of page 1. If you check the box labeled "Other," provide the appropriate Minnesota business code in the space following the "Other" check box. You can find a list of Minnesota business codes on the Minnesota exemption certificate (Form ST3). Purchaser must update the certificate data, as necessary, if this certificate is to be used as a blanket exemption certificate for continuing future purchases. Note that Minnesota allows this certificate to be used to claim a resale exemption only. It does not permit this certificate to be used to claim any other type of exemption. To claim an exemption other than resale, use the Minnesota exemption certificate (Form ST3) or the Streamlined Sales Tax Governing Board exemption certificate (Form F0003).

19. Missouri:

a) Purchasers who improperly purchase property or services sales-tax free using this certificate may be required to pay the tax, interest, additions to tax, or penalty.

b) Even if property is delivered outside Missouri, facts and circumstances may subject it to Missouri tax, contrary to the second sentence of the first paragraph of the above instructions.

20. Nevada:

a) This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to the provisions of NRS 372.165, NRS 372.170, NRS 372.175 and NRS 372.180 regarding sales tax, and NRS 372.235, NRS 372.240 and NRS 372.245 regarding use tax.

b) By use of this certificate, the purchaser certifies that the property is purchased for resale in the regular course of business in the form of tangible personal property, which includes property incorporated as an ingredient or component of an item manufactured for resale in the regular course of business.

c) When the applicable tax would be sales tax, it is the Seller who owes that tax unless the Seller takes a timely and valid resale certificate.

d) A valid resale certificate is typically effective until the issuer revokes the certificate, but periodic renewal of the certificate is recommended.

e) Contractors are generally considered consumers of tangible personal property pursuant to NAC 372.200 and are unable and should not use this certificate, and Sellers should not accept it from a contractor.

21. New Mexico: For transactions occurring on or after July 1, 1998, New Mexico will accept this certificate in lieu of a New Mexico nontaxable transaction certificate and as evidence of the deductibility of a sale of tangible personal property provided: a) this certificate was not issued by the State of New Mexico; b) the buyer is not required to be registered in New Mexico; and c) the buyer is purchasing tangible personal property for resale or incorporation as an ingredient or component of a manufactured product.

22. North Carolina: This certificate is not valid as an exemption certificate if signed by a person such as a contractor who intends to use the property. Its use is subject to G.S. 105-164.28 and any administrative rules or directives pertaining to resale certificates.

23. Ohio:

a) The buyer must specify which one of the reasons for exemption on the certificate applies. This may be done by circling or underlining the appropriate reason or writing it on the form above the state registration section. Failure to specify the exemption reason will, on audit, result in disallowance of the certificate.

b) If no certificate is provided or obtained from the buyer at the time of the sale or within ninety days after the date on which such sale is consummated, it shall be presumed that the tax applies.

24. Oklahoma: Oklahoma would allow this certificate in lieu of a copy of the purchaser's sales tax permit as one of the elements of "properly completed documents" which is one of the three requirements which must be met prior to the vendor being relieved of liability. The other two requirements are that the vendor must have the certificate in his possession within ninety (90) days subsequent to the date of sale and must accept the documentation in good faith. The specific documentation required under OAC 710:65-7-6 is: Written certification containing the purchaser's name, address, type of business, sales tax permit number, and the signature of the purchaser. OAC 710:65-7-8. Absent strict compliance with these requirements, Oklahoma holds a seller liable for sales tax due on sales where the claimed exemption is found to be invalid, for whatever reason, unless the Tax Commission determines that purchaser should be pursued for collection of the tax resulting from improper presentation of a certificate.

25. Pennsylvania: This certificate is not valid as an exemption certificate. It is valid as a resale certificate subject to the provisions of 61 PA Code §32.3. The buyer should enter their eight-digit Pennsylvania Sales and Use Tax license number. If the buyer does not have a Pennsylvania Sales and Use Tax license number, they must provide an explanation as to why they are not licensed.

26. Rhode Island: Rhode Island allows this certificate to be used to claim a resale exemption only when the item will be resold in the same form. It does not permit this certificate to be used to claim any other type of exemption.

27. South Dakota: Services which are purchased by a service provider and delivered to a current customer in conjunction with the services contracted to be provided to the customer are claimed to be for resale. Receipts from the sale of a service for resale by the purchaser are not subject to sales tax if the purchaser furnishes a resale certificate which the seller accepts in good faith. In order for the transaction to be a sale for resale, the following conditions must be present: (a) The service is purchased for or on behalf of a current customer; (b) The purchaser of the service does not use the service in any manner; and (c) The service is delivered or resold to the customer without any alteration or change.

28. Tennessee: This certificate may only be used to claim a resale exemption for purchases of tangible personal property or taxable services, amusements, or digital products that are for resale; or a component part of a manufactured, assembled, processed, or refined product that is for resale. This certificate may not be used to claim any other type of exemption in Tennessee. A Tennessee supplier that sells tangible personal property or taxable services to an out-of-state dealer for resale and drop ships the goods to the out-of-state dealer's Tennessee customer, may accept a resale certificate issued by another state, a fully completed Streamlined Sales and Use Tax Exemption Certificate, or the Uniform Sales and Use Tax Resale Certificate – Multijurisdiction that includes the sales tax ID number issued by the other state to make drop shipped sales for resale without tax. See important notice 22-01 Drop Shipment Rule Repealed for more information. Any tangible personal property or other taxable item or service purchased without the payment of tax using this resale certificate, that is later used or consumed in any manner by the buyer, or is given away, must be reported and the tax paid directly to the Tennessee Department of Revenue.

29. Texas: Items purchased for resale must be for resale within the geographical limits of the United States, its territories, and possessions.

30. Vermont: The reseller must be registered to collect Vermont sales tax. Vermont allows this certificate to be used to claim a resale exemption for goods only, not component parts to a service. It is not to be used by contractors. Vermont's manufacturing exemption is limited to property consumed in the manufacturing process, used directly and exclusively in the manufacturing process, or packaging or shipping materials for use by a manufacturer or wholesale distributor. Any other uses and the use for any other exemptions is not permitted. While there is no statutory requirement that blanket certificates of resale be renewed at certain intervals, blanket certificates should be updated periodically, and no less frequently than every three years.

31. Washington: Buyer acknowledges that in addition to the amount of tax due, the misuse of this form may result in interest and penalties being imposed by law.

32. Wisconsin: Allows this certificate to be used to claim a resale exemption only. It does not permit this certificate to be used to claim any other type of exemption.