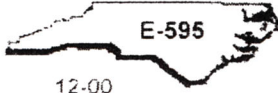


This direct pay permit only applies when the applicable Purchase Order states Do not bill NC tax, NC Direct pay permit #238. Please note that this certificate supersedes all previously issued direct pay permits.



Direct Pay Permit

North Carolina Department of Revenue

** Please see Purchase Order for taxability **

Permit Number: **00238**

Issue Date: **December 6, 2000**

Issued To: **International Business Machines Corp.**

Address: **P. O. Box 4006 Southbury, CT 06488**

This permit is issued under N.C.G.S. 105-164.27A. It certifies that the North Carolina Department of Revenue has issued a direct pay permit to the business named on the permit. The permit authorizes a retail or wholesale merchant to whom it is presented to sell tangible personal property to the business named on the permit without collecting sales or use tax on the sale, if the sale is within the scope of the permit. Bulletin 46-1 of the Sales and Use Tax Technical Bulletins lists the taxes that are not subject to the direct pay permit. The business named on this permit has assumed responsibility for the direct payment of tax on all purchases that are within the scope of the permit.

A vendor to whom this permit is presented must keep a copy of the permit in its records. The copy can be in paper or electronic form.

If the Secretary of Revenue cancels or revokes this permit, the permit is no longer valid. When a taxpayer's permit is cancelled or revoked, a vendor must collect sales and use tax on sales made to taxpayer after the effective date of the cancellation or revocation. A taxpayer whose permit is cancelled or revoked is required to notify its vendors of the cancellation or revocation and the effective date of the action.

Issued By: _____

Director of Sales and Use Tax Division
North Carolina Department of Revenue